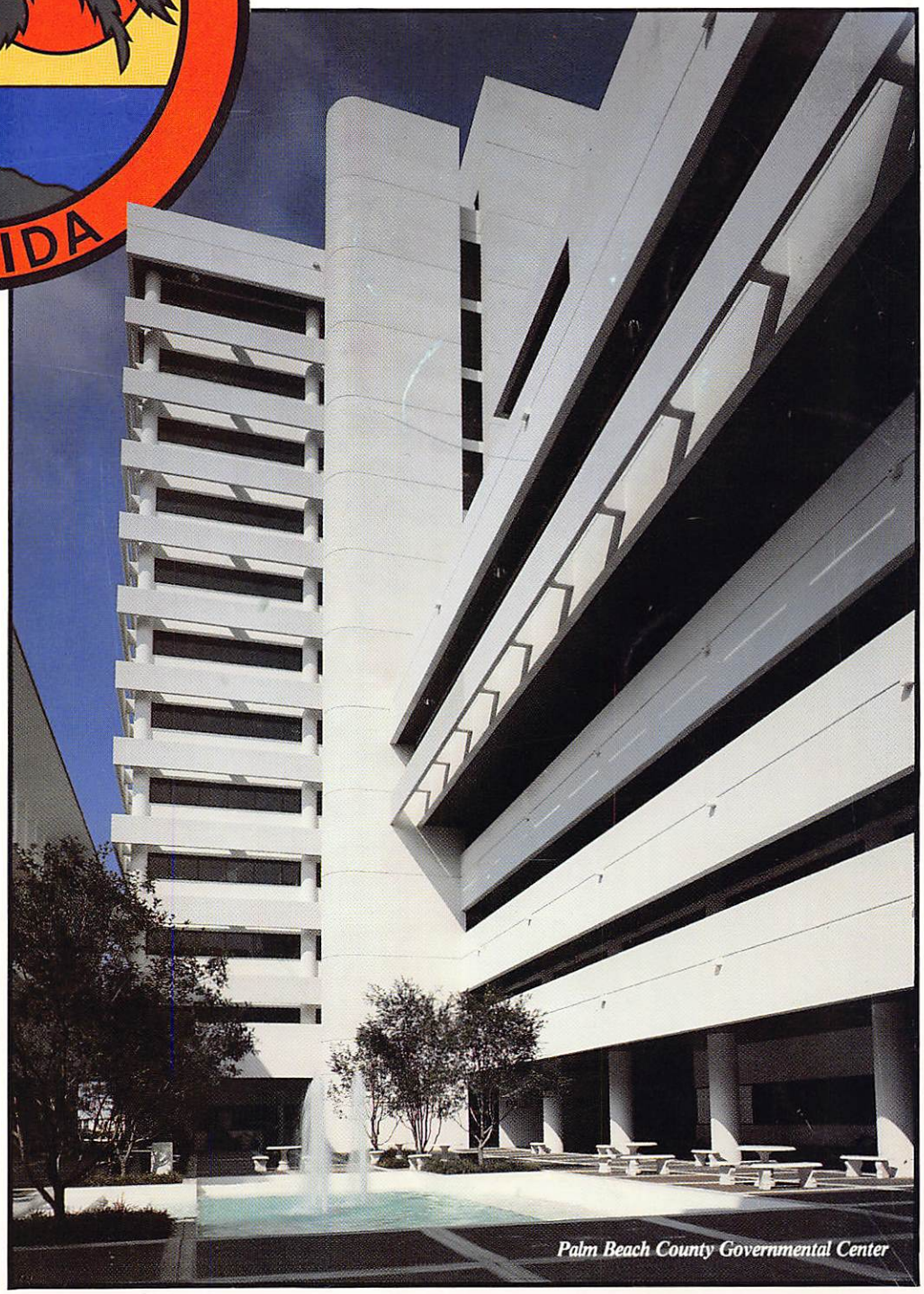
Board of County Commissioners 1989-90 Budget in Brief



Palm Beach County Governmental Center

BUDGET IN BRIEF
1989 - 90

PALM BEACH COUNTY COMMISSION

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JAN WINTERS, County Administrator

OFFICE OF FINANCIAL MANAGEMENT & BUDGET

DAVID D. WOOD, Director

STEVEN BORDELON, Budget Director

BUDGET IN BRIEF
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Office of Financial Management & Budget (in alphabetical order):

Michelle Adkins . . . . . Budget Analyst

Verdenia Baker. . . . . Budget Analyst

Wanda Bergeron . . . . . Assistant Budget Director

Elizabeth Bloeser . . . . . Budget Analyst

Steven Bordelon . . . . . Budget Director

Carlos Cerezo . . . . . Budget Analyst

Marilynn Clark . . . . . Accountant II

Ann Conlin. . . . . Budget Analyst

Shirley Holder . . . . . Applications Specialist

John Long . . . . . Special Projects Director

Anita Martinetto . . . . . Fiscal Clerk

William McCaffrey . . . . . Sr. Systems Analyst

John McCall . . . . . Budget Analyst

Michael Meredith . . . . . Budget Analyst

Barbara Nelson . . . . . Secretary

Linda Presz . . . . . Sr. Financial Analyst

Rebecca Webb . . . . . Grants Analyst

David D. Wood . . . . . OFMB Director

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Management Section (OFMB) for their work in developing performance measures and county comparables.

Department heads and Staff who spent many hours compiling, preparing and revising their respective budgets.

SECTION A

BUDGET MESSAGE

Board of County Commissioners

Carol J. Elmquist, Chairman
Karen T. Marcus, Vice Chair
Carol A. Roberts
Ron Howard
Carole Phillips

County Administrator
Jan Winters

Office of Financial Management & Budget

June 30, 1989

The Honorable Carol J. Elmquist, Chairman
and Members of the Board of County Commissioners

Commissioners:

In accordance with Florida Statute 129.03(3), I am transmitting the Tentative 1989-90 Budget for your consideration. After the Board of County Commissioners has completed its review, a final budget will be recommended for adoption at the second Public Hearing on September 25, 1989.

The recommended 1989-90 Budget is approximately $1.207 billion, which represents an increase of approximately $86 million, or 7.7% over the current fiscal year. Subtracting double budgeted interfund transfers, the net budget is $1.046 billion compared to $994 million for FY 1988-89. The net operating budget, minus capital, is approximately $501.2 million, or 13.5% over the FY 1988-89 net operating budget of $441.6 million. Adjusting for the effects of inflation and population growth, the real percentage increase in the net operating budget is 5.4%.

Funding sources for the recommended budget are summarized as follows:

Funding Sources (In Millions)

	1988-89	1989-90	Increase (Decrease) $	Increase (Decrease) %
Property Taxes				
Countywide	$ 197.4	$ 225.4	$ 28.0	11.4 *
Dependent Districts	47.5	48.0	.5	1.1
Subtotal	**244.9**	**273.4**	**28.5**	**11.6**
State and Federal Grants	87.4	92.7	5.3	6.1
Fees and Charges	145.1	189.3	44.2	30.5
Other Revenues and Receipts	202.1	226.0	23.9	11.8
Internal Service Charges	30.9	36.3	5.4	17.5
Carry Forward Balances				
Governmental	301.7	278.7	(22.9)	7.6
Enterprise	109.0	111.0	2.0	1.8
Total County Budget	**$1,121.2**	**$1,207.6**	**$ 86.4**	**7.7**

* In comparison to roll back, the increase over 1988-89 property taxes is 8.15%.

In Fiscal Year 1989-90, the County will begin collecting the new impact fees approved by referendum in November, 1988. These fees, which will partially fund costs associated with law enforcement, libraries, parks, public buildings and fire-rescue services are projected to total $10.3 million. Increases in the existing road impact fee are expected to generate an additional $10 million.

The Comprehensive Plan has identified utility taxes as a revenue source used by municipalities covering 95% of city residents in Palm Beach County. Enacting the Utility Tax will help relieve the pressure to increase ad valorem taxes and, in my opinion, presents a more equitable approach to funding the costs of government. The 1989-90 budget proposal includes $25 million for Utility Taxes; based on updated projections, this amount may increase prior to final adoption of the budget.

Millages and Property Taxes

Countywide

The Budget includes estimated ad valorem tax revenues based on a recommended countywide millage of 5.1482. The proposed countywide millage rate is an increase of less than one tenth of one mill above last year's rate of 5.0562 mills. In accordance with "TRIM" requirements, the Budget reflects an 8.15% increase over roll back, roughly a one-half mill increase over the prior year levy.

For a typical single-family home assessed at $100,000 with a $25,000 homestead exemption, the Countywide property taxes on the remaining $75,000 taxable value will increase by $6.90, or 1.8%. Overall property evaluation in Palm Beach County increased by approximately 12% for the 1989 Tax Roll; of this increase, 4% is attributable to new construction. Applying the proposed millage to the increased valuation ($8,000) of the home used in the example would increase the property tax by an additional $41.18 as shown in the following calculation:

Countywide	1988-89	1989-90	Increase	% Change
Parcel Assessment	$100,000	$108,000	$8,000	8.0
Millage Rate	5.0562	5.1482	.0920	1.8
Property Taxes	$ 379.22	$ 427.30	$48.08	12.7

Dependent Districts

The Dependent Taxing Districts consist of the Library District and four Municipal Service Taxing Units (MSTUs) for Fire/Rescue. Recommended millage rates for each taxing district are detailed on page C-21 in the Tentative Budget document.

Total County Appropriations

The combined appropriations for all governmental and enterprise fund budgets are presented for comparisons with the prior year as follows:

Expenditure Function	1988-89	1989-90	Increase (Decrease) $	%
General Government	$ 142.8	$ 147.9	$ 5.1	3.6
Public Safety (Judicial, Law Enforcement, Fire-Rescue)	169.8	195.1	25.3	14.9
Physical Environment (Water Utilities)	148.0	127.9	(20.1)	13.6
Transportation (Airports, Mass Transit, Roads)	236.5	177.5	(59.0)	25.0
Economic Environment (Tourist Development, HCD)	16.7	21.6	4.9	29.3
Human Services (Community Services, Health)	60.1	55.8	(4.3)	7.2
Culture and Recreation (Library, Parks & Recreation)	66.5	82.8	16.4	24.7
Internal Services (Motor Pool, Risk Management)	22.7	25.8	3.1	1.4
Debt Service, Transfers and Other	258.1	373.2	115.1	44.6
Total	**$1,121.2**	**$1,207.6**	**$ 86.4**	**7.7**

Summarized expenditure categories include annual operating costs and capital improvement requirements.

The number of permanent employees under the Board of County Commissioners increased by 270 to 4,747. This represents 5.4 employees per thousand County population compared to 5.3 per thousand in 1988-89.

Budget Development Process

The 1989-90 budget development process began in January of 1989 when County Departments were requested to update the narrative describing their functions, goals, and accomplishments. During February, the County Administrator issued a Budget Policy Statement and the Budget Instruction Manual was distributed to all County departments and agencies. All budget submittals were due in the Office of Financial Management and Budget (OFMB) by mid April. The Budget Office then scheduled departmental budget hearings beginning the last week in April and extending into June. On May 30, 1989, a workshop was held with the Board to provide a preview of the 1989-90 budget and to obtain Board direction regarding several budget related issues.

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During the budget development process, funding requests must survive several levels of review. Department directors make the initial determination as to whether a requested amount is justifiable. Then the Budget Division staff subjects the budget submittals to an in-depth review. The analysis includes:

- familiarization of departmental functions, program plans and goals, accomplishments, and workload statistics;
- verification of mathematical accuracy of salary and other calculations;
- comparison of 4 year historical spending patterns, including projections of current year expenditures;
- identification of nonrecurring expenditures;
- review of detailed budget worksheets and backup for consistency, completeness, and reasonableness of justification; and
- meeting with departments and administration to finalize the County Administrator's recommendations.

Initial requests in the tax supported portion of the budget exceeded our roll back revenues by approximately $80 million. Through the above review process, more than $60 million in requests were eliminated.

New Positions and Service Improvements

Outlined below are the major areas which are recommended for increased funding from ad valorem taxes or tax equivalents (e.g., utility taxes, franchise fees).

Roads

Approximately $20.8 million in ad valorem taxes will be used to fund the road program during 1989-90. This amount, which represents an $11 million increase in funding over 1988-89, will construct approximately 23.2 lane miles. Taking into account construction funded from road impact fees, carry forward funds, and developer requirements, total lane miles to be constructed during 1989-90 will approximate 60 lanes miles. During the May workshop, the Engineering Department disclosed a shortfall in the amount budgeted for acquiring rights-of-way. The Engineering and Public Works Department believes we can close this shortfall over two years and still remain on target with our 5-Year Road Program.

Sheriff

The Sheriff has requested $99.7 million for his 1989-90 Budget. This amount is almost $14 million, or 16.3%, over the 1988-89 budget. Most of the budget increase (about $13 million) is due to increased personnel costs. The Sheriff's budget request includes funding for 126 new positions as well as substantial increases related to fringe benefit costs. State mandated increases for special risk retirement contributions and the health care benefits for retirees combined to raise the retirement contribution by almost $3 million. Health insurance costs are projected to escalate by almost $800,000 and workers compensation claims are anticipated to increase by $372,000.

The proposed budget also includes the cost of leasing 184 vehicles, or 35 more vehicles than were funded in 1988-89.

Judicial

Costs associated with the courts, Public Defender, and State Attorney will increase by $3.8 million, or 54%, over the current year. Cost increases are driven by the temporary relocation of the County Court, the addition of four new judges along with support staff and equipment, and upgrading computer automation capabilities.

Fire-Rescue

The Fire-Rescue operating budget is up by more than $10 million, or about 30%, over FY 1988-89. This increase is largely attributable to escalating personal services costs, including the addition of 18 new employees and the impact of pension costs for high risk employees, disability health insurance, and salary increases. The Department also has requested supplemental funding for upgrading its communication system.

In the Capital Budget, the Department has requested approximately $1.7 million for new/replacement equipment and vehicles, $500,000 for design of the Fire-Rescue Complex at Section 6, $123,500 to install an emergency traffic signal, and $25,000 for land acquisition.

Planning, Zoning and Building

Increases to the P Z & B budget total approximately $3.9 million, or an increase of 28.2% over the current year funding level. Cost increases are primarily result from the addition of 54 positions associated with the implementation of the Comprehensive Plan and increased emphasis on building inspection and code enforcement. The P Z & B budget recommendation also includes $500,000 for hiring consultants to assist in implementation of the Comprehensive Plan; $150,000 to contract out a portion of the microfilming backlog; and almost $111,000 to lease-purchase 20 vehicles for building inspectors.

For the first time, the planning and zoning functions will be supported by tax equivalents. About $6.3 million in franchise fee and utility tax revenues will be used for this purpose.

General Services

The recommended budget for this Department is $3.8 million higher than the current year primarily due to 24 new positions associated with the maintenance and security of new County facilities. Funding for Motor Pool vehicles and equipment is recommended to be increased by about $600,000 over the current funding level.

The Capital Budget contains $417,000 for South County Courthouse improvements, $156,000 for a new telephone system for South County Courthouse, and $555,000 for various roof repairs and replacements,

County Library

Twenty-two new positions and new books account for $825,000 of the recommended increase in the Library budget. Overall, the Library budget is going up by $1.67 million, or 16.5% over 1988-89.

New funding ($1 million) for the Library's expansion program is derived from interest earnings. Impact fees are estimated to bring in $850,000; of which $300,000 is budgeted for a branch library in South Bay and the remaining $550,000 is reserved for future projects. Property taxes will fund a new lift station for the Central Library ($25,000) and various roof repair projects ($145,000).

Environmental Resources Management

The operating budget for the Department of Environmental Resources Management is recommended to increase by approximately $705,000, or 23.8% over the 1988-89 budget. Sixteen new positions are being recommended for the Department, largely because of work requirements related to the County's Comprehensive Plan. Four positions are for the shoreline protection program; four are for the environmental enhancement program; four to implement a natural areas program; one to develop and manage inventory of nature ecosystems; two to implement a stormwater management program; and one to provide administrative support for the department.

The Capital Budget includes $583,000 for environmental cleanup.

Parks and Recreation

The budget recommended for the Parks and Recreation Department includes an increase of approximately $1.5 million, or 9.9%, over 1988-89. This increase will fund seven new positions as follows: a new planner to

relieve the accelerating workload associated with the park development program; two positions associated with Carlin Park expansion and one for Caloosa Park, a secretary to help with administrative work demands; and two maintenance positions - one for Pondwood Park and a small engine mechanic for the maintenance shop.

The Capital Budget proposes $677,000 in ad valorem taxes for parks and recreation improvements, including $175,000 for Aqua Crest Pool repairs, $100,000 for a boat ramp at Juno Park, and $75,000 for tennis courts at Loxahatchee Groves Park.

Community Services and County Health Department

The 1989-90 Capital Improvement Budget includes $100,000 for the Central Pharmacy relocation and expansion and $565,000 for the Delray Public Health Center. In addition, the County Home is budgeted for a new laundry building ($75,000), a new lift station ($32,000), a new telephone system ($85,000) and air conditioning replacements ($29,000).

Public Buildings

The Capital Budget includes ad valorem funding requests for public building projects totalling about $3 million. Included in this amount is approximately $1.5 million additional funding for a new Animal Care Facility, $800,000 for renovations to the Governmental Complex and the ground floor of the parking garage, $366,000 for renovations to the Four Points Building, $255,000 for expanding the Motor Pool facility, $250,000 for renovating the old Berean Baptist Church, $205,000 for master site studies, and $150,000 for the Emergency Operations Center.

Data Processing Costs

One of the Board's goals is to improve the utilization of computers in County government. My recommended budget reflects a commitment to this goal. The Board of County Commissioners share of AIM's budget is proposed to increase from approximately $6.6 million in 1988-89 to $8.4 million for 1989-90. This amount represents a 27.6% increase over the 1988-89 budget. Additionally, $500,000 has been reserved to fund costs associated with connection to and usage of the new general ledger system, $625,000 is recommended to upgrade the payroll/personnel system, and $300,000 is requested to improve office automation capability.

Affordable Housing

In response to the Housing Element policies approved in the Comprehensive Plan, I am recommending $3 million in ad valorem funding be provided for the Affordable Housing program. This funding level will be supplemented by approximately $1 million in grant funds available in the Housing and

Community Development Division, but the combined $4 million is still below the $5 million funding level identified in the Comprehensive Plan. Rationale for recommending this funding level is based on the opinion of the Housing and Community Development Division that the County would not be able to spend $5 million in the first year of the expanded program.

Camden Case Legal Settlement

During February, 1989, the U. S. District Court, Southern District of Florida ruled, in response to a class action suit, that the County is liable for payment of interest on deposits placed with the Clerk of the Court. A reserve for legal settlement has been budgeted for $3 million.

Unfunded Items

Due to funding constraints, it has been necessary to deny numerous funding requests which could improve or increase the level of County services. Operating budget requests submitted by tax funded departments totalled about $547.4 million and the original requests for capital projects amounted to $36 million. During the budget reviews, $34 million was cut from the operating budget and $32 million in capital projects were deferred or eliminated. Some of these excluded items are listed below:

Operating Budget	
Indigent Health Care	$15,994,000 *
Health Department	7,980,249 *
Payments for Prescriptive Medicines	2,916,000 *
Affordable Housing Program	2,000,000
Environmental Resources Management - 13 positions	556,510
Property & Real Estate Management -	
5 positions for facilities planning	228,042
Digitize drawings and update studies	330,000
Traffic Division - 5 positions	260,387
Traffic Division - Materials	473,209
Capital Budget	
Road Program	12,971,000
Stub Canal Drainage Project	5,000,000
North County Pool Construction	1,500,000
Central Library Entrance Relocation (Driveway)	161,000
Youth Affairs - Sabal Palm Expansion	250,000
Medical Examiner Facility Expansion	250,000
North County Govt. Center Expansion	250,000
County Home - Various Capital Improvements	604,000
North County Senior Center Expansion	250,000
Stockade - Land Acquisition for Parking	300,000
Indian Trail Water Control Dist.- Orange Ave.	250,000

* Transferred to Palm Beach County Health Care Taxing District.

Conclusion

In the preparation of this year's budget, we received very clear community input and policy direction. More than one hundred citizens who assisted in preparing the blueprint for our future, the Comprehensive Plan, identified expense levels and revenue sources. The recommended budget is $7.5 million, or two-tenths of one percent, above the projections in the Comprehensive Plan. This increase is due to the unanticipated higher acquisition costs for road rights-of-way ($22.5 million), the Attorney General's opinion restricting the use of building permit fees ($6.3 million) and the settlement of a lawsuit ($3 million).

It is very important to note that starting in 1989, due to the Growth Management Act, cities and counties will no longer be able to underfund the infrastructure and operating costs of new growth, unless their comprehensive plans are amended to reflect a lower level of service, which really means a lower quality of life. It was widely recognized when the Growth Management Act was adopted that local funding sources are inadequate to meet this new State mandate. In fact, according to the State's projections, Palm Beach County would experience the greatest growth and the largest unfunded infrastructure costs. The failure of the State this past session to address these revenue needs places an enormous burden on local governments, and therefore, on property taxes. As we move forward with construction of the courthouse, jail, offices for the State Attorney and Public Defender, and the continuation of the road program - which includes local funding of State highways, the local burden will become more severe each year the State fails to provide new revenues.

Given the constraints we are operating within, I believe the proposed budget is a realistic approach to maintain the level of services we presently have adopted in our Comprehensive Plan.

I would like to thank the Board of County Commissioners, Constitutional Officers and others who participated in the detailed development of this budget, including department directors, staffs of the Constitutional Officers, and especially the Director and the staff of the Office of Financial Management and Budget.

I look forward to beginning our meetings to consider the proposed 1989-90 budget. A line item computer report, showing budget detail by cost center, object of expenditure, and appropriation type, has been provided to the Clerk of the Circuit Court for the official record. Should you have any questions or require additional information prior to the release of the budget document or the beginning of the budget workshops, please let me know.

Respectfully submitted,

Jan Winters
County Administrator

JW/GSB/bn

SECTION B

INTRODUCTION

INFORMATION ABOUT PALM BEACH COUNTY

History

Many years ago, when the area comprising Palm Beach County was part of Dade County, an election was held to determine whether the seat of county government should remain in Miami or be moved north. The people in the northern (Palm Beach) end of the county outvoted those in the southern (Miami) end, in favor of moving the county seat to Juno, at the upper end of Lake Worth. Later, when the population of Miami grew sufficient to offset the population of the Palm Beach area, permission was granted for the return of the county seat to Miami.

As legend has it, the relocation of the county seat from Juno back to Miami brought about a mild revolt on the part of our area's residents. On a dark and infamous night, some of our more enterprising citizens raided the new county courthouse in Miami and made a successful retrieval of the records. Unfortunately, as fate would have it, a court injunction caused a return of their "trophies of war."

Palm Beach County is 80 years old this year. When the first Palm Beach County Commission first met on July 6, 1909, the County had a population of approximately 5,500 and was about twice its present size (encompassing parts of what are now Broward and Okeechobee Counties and all of the present Martin County). West Palm Beach, dating from 1894, was the only incorporated municipality in the County.

Primarily a quiet agricultural community at its birth, with a small enclave of winter visitors on Palm Beach, the County experienced a major land boom in the 1920s, again after World War II, and the latest surge in growth which began in the early 1970s.

Our estimated current population is 854,000 with projections of 1.4 million by the year 2020.

Fertile land and a sunny climate, motivating forces for the continuation of agriculture and tourism as two of the County's economic mainstays throughout its 80-year history, have also stimulated the growth of the area's construction industry and influenced major technological firms to locate within our borders, further bolstering the County's population and its tax rolls.

Services Provided

The County provides a wide range of services including law enforcement, fire protection, conservation and resource management, public improvements, libraries, employment opportunity and development, health, welfare, parks and recreation facilities, planning and zoning, transportation and general administrative services.

Form of Government

Palm Beach County is a political subdivision of the State of Florida, governed by the State Constitution and general laws of the State of Florida.

The legislative and governing body of the County is the five-member Board of County Commissioners. Each County Commissioner is elected on a county-wide basis for a four-year term of office and each County Commissioner is a resident of one of five Commission Districts. The Commission elects a chairperson who serves as presiding officer.

Effective November, 1990, the Board of County Commissioners shall be comprised of seven single member districts. This change in the charter was approved by voter referendum on November 8, 1988.

The Clerk of the Circuit Court is the clerk and chief financial officer for the Commission. As a result of a County-wide general election of November 6, 1984, Palm Beach County became a Home Rule Charter County on January 1, 1985, operating under a County Manager form of government with separation of legislative and executive functions. The County Administrator is responsible for the operations of all departments of the County, except the elected Constitutional officers, joint State/County agencies and staff departments that report directly to the Commission.

Economic Trends

Palm Beach County is Florida's largest county in area, fifth in population and tenth in density. Growth has been the major influencing factor of the County in the last several years. Population has increased 138% since 1970 and the total non-exempt property valuation has increased 71% in the last five years.

Tourism and agriculture, together with the related service industries, are the leading sources of income for the County's residents. The County government is making a concentrated and continued effort to increase the number of visitors to our area each year. The "Glades" region is one of the nation's most productive agriculture areas. Sugar cane and vegetables account for 73% of the total crop production. Manufacturing, primarily electronics and other high tech products, also plays an important role in the County's economy. Over the last ten years manufacturing has accounted for 12% of the total non-agricultural employment. The school system, State of Florida, and the County are the largest employers in the public sector.

Assessed Valuation

The County's non-exempt assessed valuation for County-wide millage purposes of $43.7 billion represents an increase of 12% over the preceding year. This is due to the continued growth of property values and the efforts of the Property Appraiser's office to keep all property appraised at 100% of its fair market value as required by state law.

Property tax levies for the Board of County Commissioners for the last five years were distributed as follows: (amounts are per $1,000 assessed value)

Fund	1989-90	1988-89	1987-88	1986-87	1985-86	1984-85
General Fund	2.4118	2.2502	1.9613	2.0809	2.1808	2.4538
Special Revenue	1.8229	2.1401	2.0109	1.7002	1.3909	1.3282
Capital Projects	.6583	.3492	.4599	.5500	.6236	.0373
Debt Service	.2552	.3167	.3541	.2879	.3325	.3643
Total Tax Rate	5.1482	5.0562	4.7862	4.6190	4.5271	4.1836

Debt Administration

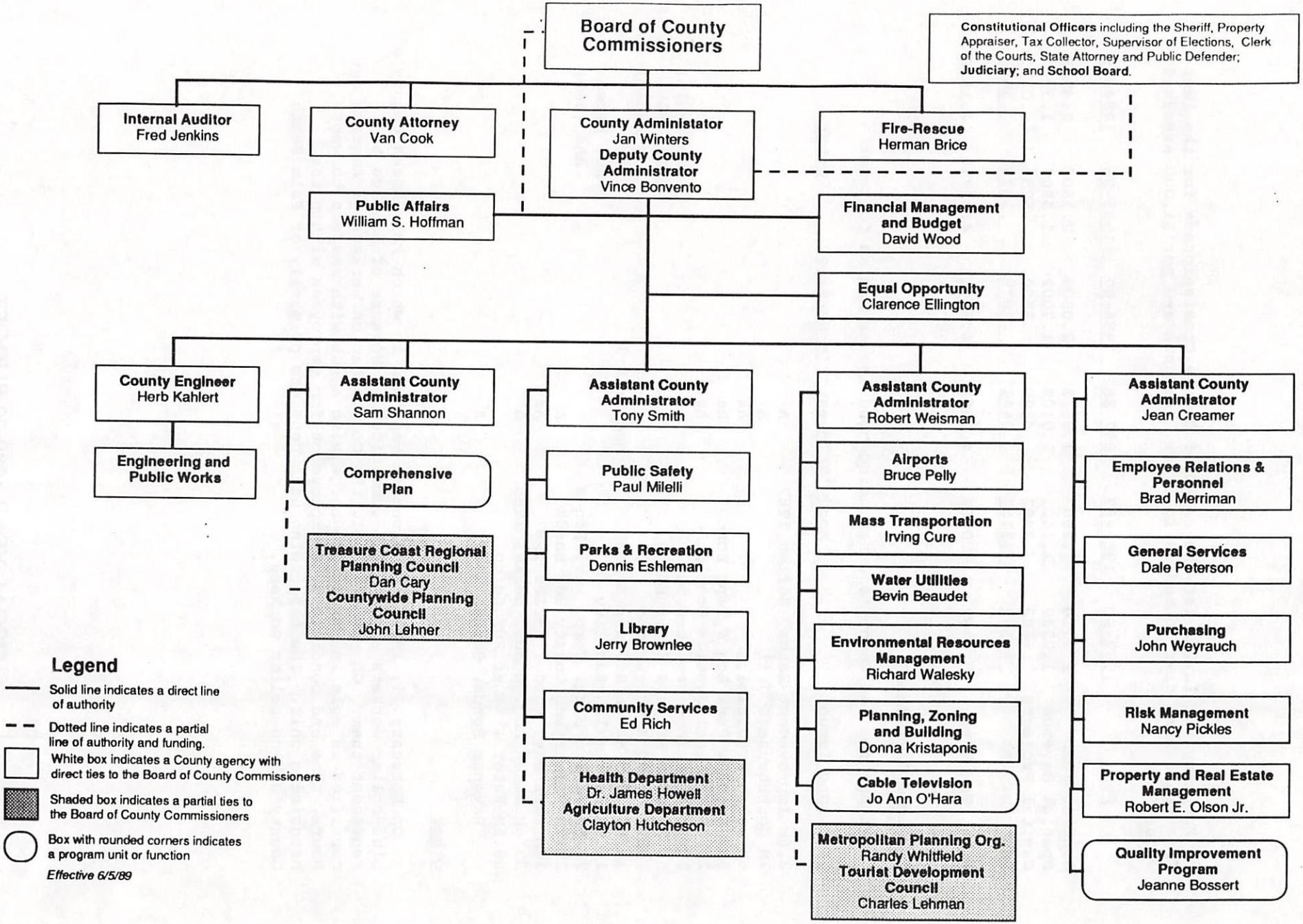
Ratings for the County's outstanding bond issues are as follows:

Bond Issue	Moody's Investor's Service	Other
2.5M Improvement Bonds, Series 1967	A	
7M Courthouse & Jail	A	
6M Beach Acquisition	Aa	
50M Beach & Park Acq & Impr Bonds	Aa	
29.7M Criminal Justice Complex	Aa	
29.3M Road Improvement Bonds		Aaa (MBIA)
56,745,000 Water & Sewer Bonds		AAA (S&P)
188,400,000 Airport Bonds		Aaa (MBIA)
18,645,000 Water & Sewer Bonds	Aaa/VMIG 1	
1M Glades Health Facility		Not Rated
24.5M Public Bldg. Corp. Rev. Bonds		AAA (S&P)
32.7M Palm Beach County Rev Bonds	A	
30M Park Dev. Bonds, Series 1987	Aa	
33.6M Beach Acq. Bonds, Series 1986	A	
59.5M Water & Sewer Refunding Revenue Bonds, Series 1986	A	

Other

On February 11, 1981 , an election was held in which Palm Beach County's blue-collar workers elected the Communication Workers of America to represent them. On May 12, 1981, the Communication Workers of America was certified as sole and exclusive bargaining agent with respect to wages, hours, time and conditions of employment for employees within the bargaining unit. The bargaining unit consists primarily of Palm Beach County's blue-collar workers.

Palm Beach County Board of County Commissioners
Organizational Structure



BUDGET PHILOSOPHY AND PROCESS

PHILOSOPHY

Palm Beach County is committed to providing high levels of service to its residents, at the lowest possible cost, in order to minimize taxpayer burden. In developing the County's financial plan, or budget, attention is first given to assuring that the budget will be in balance, both on an overall basis and in each of the County's funds. Any potential imbalances are eliminated by the County Administrator before the Tentative Budget is presented to the Board of County Commissioners for consideration and adoption at Public Hearings.

PROCESS

Fiscal Year

Palm Beach County's Budget is based on a fiscal, rather than calendar year. The fiscal year begins on October 1 and ends on September 30. Thus, FY 1989-90 runs from October 1, 1989 through September 30, 1990.

Statutory Requirements

In the State of Florida, county budgets are governed by State Statutes. Chapter 129 of the Florida Statutes, entitled "County Annual Budget", specifically directs that (among other requirements) a budget be prepared annually, and that it must be balanced. It further provides for amendment of the budget in limited circumstances, and prohibits expenditures in excess of budgeted amounts.

Funds Included

The County's budget is consolidated, and presents planned disposition of all available resources in all funds. The total budget is appropriated by the Board of County Commissioners, as the adopted financial plan for the County in the ensuing fiscal year.

Basis of Accounting

The accounts of the County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts which comprise its assets, fund equity, revenues and expenditures or expenses.

The modified accrual basis of accounting is used for Governmental Funds (General, Special Revenue, Debt Service and Capital Project). Revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which services or goods are received and liabilities are incurred.

Revenue is considered available when it is collectible during the current period, and the actual collection will occur either (1) during the current period or (2) after the end of the period but in time to pay

current year-end liabilities. Generally, property taxes, grants and interfund transfers are accounted for on a modified accrual basis. Revenue is generally considered to be measurable if it has the ability to provide a reasonable estimate of actual cash flow. Expenditures, for the most part are recorded on an accrual basis because they are measurable when they are incurred.

In Proprietary Funds (Enterprise and Internal Service), the accrual basis of accounting is used. Revenues are recognized in the accounting period in which they are earned and become measurable. Expenditures are recognized in the accounting period in which they are incurred.

The essential elements of the accrual accounting method include the (1) deferral of expenditures and the subsequent amortization of the deferred costs (prepaid expenses, supplies, etc.) (2) deferral of revenues until they are earned (property taxes received in advance) (3) capitalization of certain expenditures and the subsequent depreciation of the capitalized assets (depreciation of the cost of machinery), and (4) accrual of revenues that have been earned and expenses that have been incurred.

Adoption Process

The annual budget process is based upon Florida statutory requirements. In February, departments develop revenue projections for the current and budget year, as well as expenditure projections for the current year. These projections are submitted to the Office of Financial Management and Budget (OFMB), which consolidates county-wide projections and determines projected available resources for the budget year.

Departments begin their BUDGET DEVELOPMENT in February also, when the County Administrator issues a "Call for Budget Estimates". Accompanying the Call is a BUDGET INSTRUCTION MANUAL, compiled by OFMB, which provides detailed instructions for development of budget submittals.

Departmental BUDGET REQUESTS are segregated into two components: a) the cost of continuing existing levels of service, i.e., BASE BUDGET, and b) the cost of proposed additions to existing service levels, in the form of SUPPLEMENTAL REQUESTS. Departmental Requests are reviewed by OFMB, and discussed with departments at BUDGET HEARINGS in April and May.

Based on the County Administrator's direction, OFMB prepares the County Administrator's TENTATIVE BUDGET, for presentation to the Board of County Commissioners at the end of June.

Having reviewed the Tentative Budget, the Board holds WORKSHOPS with each department during July, which provides OFMB with direction in developing the ADOPTED TENTATIVE BUDGET, which is made available to the public and forms the basis for the FIRST PUBLIC HEARING in September. Any changes directed by the Board at the first Public Hearing are incorporated into the FINAL BUDGET, which forms the basis for the SECOND PUBLIC HEARING in September.

During the second Public Hearing, the Board amends the Adopted Tentative Budget as it sees fit, adopts the OFFICIAL BUDGET, and adopts a resolution stating the millage rate to be levied.

The Official Budget becomes effective on October 1, per Florida Statutory requirements, and a final Official Budget document is then printed.

Amendments after Adoption

Florida Statutes specifically direct that upon the final adoption of the budgets, the budgets shall regulate the expenditures of the County and the itemized estimates of expenditures shall have the effect of fixed appropriations and shall not be amended or altered or exceeded except as provided by the Statute.

The Board of County Commissioners at any time within a fiscal year may amend a budget for that year as follows:

1. Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased with the approval of the Board of County Commissioners provided that the total of appropriations of the fund not be changed.

2. Appropriations from the reserve for contingencies may be made to increase the appropriation for any particular expense in the same fund for any lawful purpose but no expenditures shall be charged directly to the reserve for contingencies.

3. The reserve for future construction and improvements may be appropriated by the Board for the purpose or purposes for which the reserve was made.

4. A receipt of a nature from a source not anticipated in the budget and received for a particular purpose, including but not limited to grants, donations, gifts, or reimbursement for damages, may, upon approval by the Board, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided for in the budget. Such receipts and appropriations shall be added to the budget of the proper fund.

5. Increased receipts for enterprise or proprietary funds received for a particular purpose may, upon approval by the Board, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided for in the budget.

Florida Statutes provide for the delegation of authority to approve certain types of budget transfers. The Board of County Commissioners has established procedures by which the Director of the Office of Financial Management and Budget may authorize certain transfers which are intra-departmental in nature, such as transfers of appropriations from one line item to another within a given department. All other budget transfers and amendments to the adopted budget must be approved by Board action, at a regularly scheduled Board meeting.

SECTION C

BUDGET SUMMARY INFORMATION

BUDGET SUMMARY TOTAL COMPARISON
1988-89 FINAL BUDGET TO 1989-90 TENTATIVE BUDGET

What Is The Budget?

The **budget** is a plan of financial operations and the proposed means for financing them. It shows the disposition of all resources whether to be spent or not. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is proposed and tentative or whether it has been approved by the appropriating body. The budget, once adopted, is the legal authorization to expend County funds during the fiscal year. The budget may be amended during the fiscal year by the governing body in accordance with procedures specified by law and/or administrative order.

Total Budget

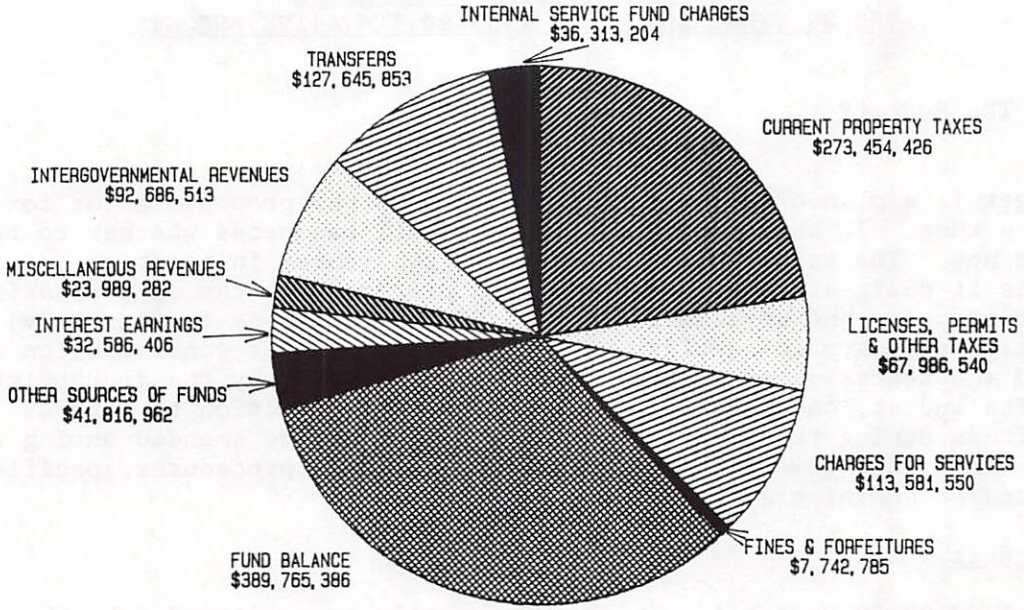
The total FY 89-90 Budget is the amount tentatively recommended by the County Administrator as the Board of County Commissioners' budget. It includes budget transfers from one fund to another and payments from one County department to another for services received.

Net Budget

The Net Budget subtracts transfers of money from one fund to another fund or payments from one department to another for services rendered from the legal budget amount. These interfund transfers are considered double-counted because they don't represent money coming into the County budget as revenue or leaving the County budget as expense. Interfund transfers are necessary to reflect movement of money within the legal budget from the fund where they are received to the fund where they are spent.

	FY 1988-89 Final Budget	FY 1989-90 Tentative Budget
Total Budget	$ 1,121,184,019	$ 1,207,568,907
Less: Interfund Transfers and Payments	126,950,354	161,483,686
NET BUDGET	$ 994,233,665	$ 1,046,085,221
Budgeted Reserves	$ 137,172,681	$ 255,957,613
Budgeted Expenditures	857,060,984	820,127,608
NET BUDGET	$ 994,233,665	$ 1,046,085,221

SOURCES OF FUNDS BY CATEGORY
TOTAL ALL FUNDS $1,207,568,907



Revenues for the County budget come from several sources, of which property taxes represent only 23% of the total.

Licenses, permits & other tax revenues include permit and building fees, delinquent property taxes, electricity franchise fees and utility service taxes.

Intergovernmental revenues consist of state revenue sharing, sales tax and gas taxes.

Charges for services are revenues from park user fees, emergency service fees, fire protection fees, bus fares, airport landing fees, water and sewer fees as well as other types of user fees.

Interest earnings are revenues from funds invested by the County until funds are needed. Reserves generate a significant amount of interest earnings.

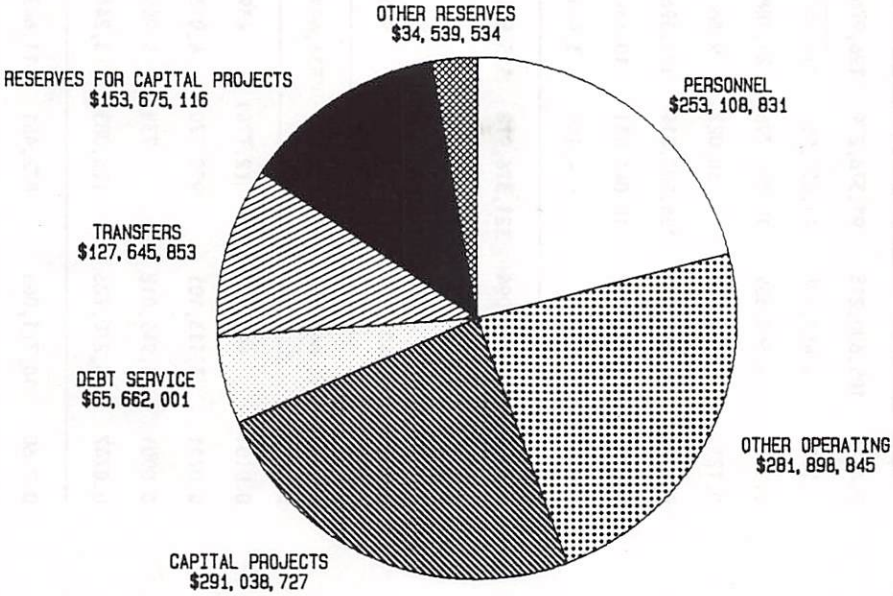
Transfers represent funds transferred from one fund to another. A transfer out of a fund is reflected as an expense while a transfer into a fund appears as a revenue.

Another revenue source is fund balance appropriated which is 32% of the total budget and represents carry-over funds from prior fiscal years. A major component of fund balance are reserves which are discussed in the expenditure section of the graphs.

Internal service fund charges are not revenues to the County. They represent charges for services provided within the County governmental unit.

Other sources of funds are special assessments/impact fees and excess fees - constitutional officers.

EXPENDITURES BY CATEGORY
TOTAL ALL FUNDS $1,207,568,907



The above graph reflects how funds for the total County budget are spent.

The operating portion of the budget, which includes personnel costs (salaries and benefits) and operating expenditures combined, is 44% of the total budget. Salaries and benefits represent 21% of the total budget.

Capital projects are the expenditures expected during the year for capital improvement projects approved by the Board of County Commissioners.

Debt service expenditures include debt for all funds, but do not include reserves for debt ($34,539,534) which are part of "other reserves".

Transfers represent funds transferred from one fund to another. A transfer out of a fund is reflected as an expenditure, while a transfer into a fund appears as a revenue.

Reserves for capital projects represent funds which will be allocated during the fiscal year for designated projects. It also includes funds that have been received but will not be spent within the fiscal year as is the case when bond proceeds are used to fund capital projects which take more than one year to complete. Although the bond revenues are received all at one time, it takes several years to spend the funds, in which case, the remaining funds are reserved. Other reserves are for debt service.

BOARD OF COUNTY COMMISSIONERS, PALM BEACH COUNTY
TENTATIVE BUDGET ANALYSIS
FISCAL YEARS 1988-89 - 1989-90

1988 Tentative Non-Exempt Valuation Countywide $39,036,483,049

1989 Tentative Non-Exempt Valuation Countywide $43,784,814,658

	1988-1989				1989-1990			
	Mills	Taxes	Other Revenue	Budget	Mills	Taxes	Other Revenue	Budget
General Fund	2.2502	87,839,894	92,391,556	180,231,450	2.4118	105,600,215	91,376,279	196,976,494
Fine & Forfeiture Fund	2.0605	80,434,673	19,317,499	99,752,172	1.7004	74,451,698	41,607,562	116,059,260
County Transportation Trust Fund	0.0796	3,107,304	16,636,951	19,744,255	0.1225	5,363,639	15,824,796	21,188,435
Capital Outlay Fund	0.0965	3,767,021	8,883,317	12,650,338	0.1231	5,389,910	4,550,027	9,868,707
Transportation Improvement Fund	0.2527	9,864,519	151,085,307	160,949,826	0.4772	20,894,114	156,502,814	177,396,928
Parks Improvement Fund	0	0	0	0	0.0140	612,987	10,041,031	10,654,018
Public Buildings Improvement Fund	0	0	0	0	0.0440	1,926,531	1,474,469	3,401,000
Operating Ad Valorem Tax Funds - Countywide	4.7395	185,013,411	288,314,630	473,328,041	4.8930	214,239,094	321,376,978	535,544,842
Non-Voted Debt Service 7,000,000 Courthouse Bond I&S	0.0107	417,690	528,236	945,926	0.0092	402,821	543,667	946,488
Total Non-Voted Ad Valorem Tax Funds - Countywide	4.7502	185,431,101	288,842,866	474,273,967	4.9022	214,641,915	321,920,645	536,491,330
6,000,000 Beach Acq. Bond I&S Fund	0.0116	452,823	(12,833)	439,990	0.0101	442,227	(2,774)	439,453
50,000,000 Beach & Park Bond I&S	0.1024	3,997,336	46,970	4,044,306	0.0711	3,113,101	900,570	4,013,671
29,700,000 Crim. Justice Complex Bond	0.1071	4,180,807	(2,557)	4,178,250	0.0901	3,945,012	738	3,945,750
30,000,000 Park Development Fund	0.0849	3,314,197	(67,117)	3,247,080	0.0747	3,270,726	(26,083)	3,244,643
Voted Debt Service Ad Valorem Tax Funds - Countywide	0.3060	11,945,163	(35,537)	11,909,626	0.2460	10,771,066	872,451	11,643,517
Total Ad Valorem Tax Funds - Countywide	5.0562	197,376,264	288,807,329	486,183,593	5.1482	225,412,981	322,793,096	548,134,847

BOARD OF COUNTY COMMISSIONERS, PALM BEACH COUNTY
TENTATIVE BUDGET ANALYSIS
FISCAL YEARS 1988-89 - 1989-90

	1988-1989				1989-1990			
	Mills	Taxes	Other Revenue	Budget	Mills	Taxes	Other Revenue	Budget
Law Library Fund			435,158	435,158			465,254	465,254
Tourist Development Trust Fund			7,469,491	7,469,491			8,602,688	8,602,688
Metropolitan Planning Org.			401,683	401,683			419,035	419,035
Franchise Fee Fund			5,232,964	5,232,964			33,564,857	33,564,857
29,000,000 Road Improv. Bond - Revenue Fund			677,063	677,063			0	0
Criminal Justice Fund			0	0			817,485	817,485
33,600,000 Beach Bond Revenue Fund			29,444,403	29,444,403			38,258,420	38,258,420
Community Action Council			3,628,813	3,628,813			4,093,238	4,093,238
Community Affairs			2,820,659	2,820,659			4,277,701	4,277,701
D.O.S.S. - Community Centers			11,836	11,836			14,839	14,839
Division of Senior Services			2,403,078	2,403,078			4,864,320	4,864,320
Housing & Community Development			8,126,740	8,126,740			8,955,227	8,955,227
Senior Aides Employment Program			565,119	565,119			590,127	590,127
JTPA Adult Migrant Title IV			190,923	190,923			250,881	250,881
29,000,000 Road Improv. Bond - I & S			7,586,375	7,586,375			0	0
Glades Health Facility-Sinking Fund			119,500	119,500			126,000	126,000

BOARD OF COUNTY COMMISSIONERS, PALM BEACH COUNTY
TENTATIVE BUDGET ANALYSIS
FISCAL YEARS 1988-89 - 1989-90

	1988-1989				1989-1990			
	Mills	Taxes	Other Revenue	Budget	Mills	Taxes	Other Revenue	Budget
PBC Public Bldg. Corp.-Debt Serv. Fund			4,525,960	4,525,960			4,527,035	4,527,035
32,700,000 Public Improv. Bond - I & S			8,359,835	8,359,835			8,381,197	8,381,197
Judicial Ctr-Detention Facility Debt Serv			0	0			3,000,000	3,000,000
2,500,000 Improvement Bond I&S Fund			492,756	492,756			493,124	493,124
2,500,000 Improvement Bond Reserve Fund			212,725	212,725			195,072	195,072
33,600,000 Beach Bond Debt Service Fund			8,087,710	8,087,710			8,102,117	8,102,117
60,875,000 Pooled Financing Debt Serv. Fund			6,180,408	6,180,408			7,569,700	7,569,700
First Municipal Loan Prog-BCC Debt Service Fund			0	0			5,915,231	5,915,231
Constitutional Gas Tax Fund			0	0			4,845,000	4,845,000
29,000,000 Road Improv. Bond Constr. Fund			2,282,298	2,282,298			619,341	619,341
Glades Health Facility-Constr. Fund			240,000	240,000			0	0
PBC Public Bldg. Corp.-Constr. Fund			113,491	113,491			0	0
32,700,000 Public Impv. Acquisition & Constr. Fund			11,419,858	11,419,858			6,014,150	6,014,150
First Municipal Loan Fund			1,900,000	1,900,000			0	0
60,875,000 Construction & Acquisition Fund			52,080,747	52,080,747			39,912,973	39,912,973
30,000,000 Park Development Construction Fund			28,323,704	28,323,704			28,233,228	28,233,228

BOARD OF COUNTY COMMISSIONERS, PALM BEACH COUNTY
TENTATIVE BUDGET ANALYSIS
FISCAL YEARS 1988-89 - 1989-90

	1988-1989				1989-1990			
	Mills	Taxes	Other Revenue	Budget	Mills	Taxes	Other Revenue	Budget
Beach Improvement Fund			2,477,331	2,477,331			4,508,319	4,508,319
Fire/Rescue Improvement Fund			0	0			625,000	625,000
Law Enforcement Fund			0	0			800,000	800,000
Water Utilities Department			144,831,958	144,831,958			133,960,057	133,960,057
PBC Transit Authority			17,202,003	17,202,003			16,525,998	16,525,998
Airport Revenue Fund			45,375,151	45,375,151			49,519,267	49,519,267
Airport R & R Fund			4,386,217	4,386,217			1,609,370	1,609,370
Airport Debt Service Fund			35,923,348	35,923,348			35,921,448	35,921,448
Airport Improvement & Development			25,843,337	25,843,337			18,169,524	18,169,524
Airport Construction Trust Fund			17,674,738	17,674,738			0	0
Airport Noise Abatement & Mitigation Fund			1,386,706	1,386,706			1,559,454	1,559,454
Airport Land Sale Proceeds Fund			2,314,247	2,314,247			3,197,736	3,197,736
Airport-PBIA Section 6			139,205	139,205			211,194	211,194
Parking Facilities Enterprise Fund			746,150	746,150			1,446,272	1,446,272
Southwinds Golf Course			869,801	869,801			1,215,044	1,215,044

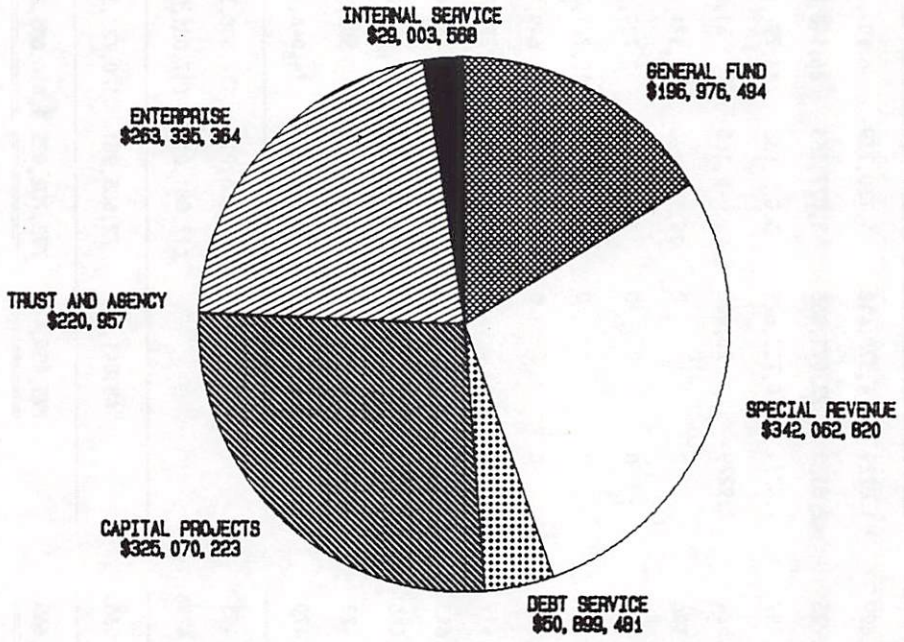
BOARD OF COUNTY COMMISSIONERS, PALM BEACH COUNTY
TENTATIVE BUDGET ANALYSIS
FISCAL YEARS 1988-89 - 1989-90

	1988-1989				1989-1990			
	Mills	Taxes	Other Revenue	Budget	Mills	Taxes	Other Revenue	Budget
Motor Pool			7,928,818	7,928,818			9,047,139	9,047,139
Employee Health Insurance Fund			7,586,736	7,586,736			9,122,935	9,122,935
Casualty Self Insurance Fund			4,172,117	4,172,117			4,740,868	4,740,868
Risk Management Fund			6,093,781	6,093,781			6,092,626	6,092,626
Handicap Parking Enforcement Trust Fund			203,124	203,124			220,957	220,957
Public Improvement Fund			84,868	84,868			24,250	24,250
Gross-Total County Funds	5.0562	197,376,264	807,380,262	1,004,756,526	5.1482	225,412,981	844,418,794	1,069,760,545
Less: Inter-Fund Transfers			(97,627,443)	(97,627,443)			(127,645,853)	(127,645,853)
Less: Inter-Dept. Charges			(15,902,486)	(15,902,486)			(16,756,817)	(16,756,817)
NET-TOTAL COUNTY FUNDS	5.0562	197,376,264	693,850,333	891,226,597	5.1482	225,412,981	700,016,124	925,357,875
Dependent Districts								
Palm Beach County Library	0.9137	18,639,241	7,994,949	26,634,190	0.4240	9,844,324	1,883,245	11,727,569
Municipal Service Taxing District	0	0	21,184,012	21,184,012	0	0	24,745,744	24,745,744
Hypoluxo Village Special Tax District	1.5000	12,236	547	12,783	0	0	0	0

BOARD OF COUNTY COMMISSIONERS, PALM BEACH COUNTY
TENTATIVE BUDGET ANALYSIS
FISCAL YEARS 1988-89 - 1989-90

	1988-1989				1989-1990			
	Mills	Taxes	Other Revenue	Budget	Mills	Taxes	Other Revenue	Budget
Fire/Rescue MSTU #1	1.4345	1,166,095	3,902,714	5,068,809	1.8229	4,378,412	1,730,739	6,109,151
Fire/Rescue MSTU #2	2.6946	18,993,195	4,066,528	23,059,723	2.8128	23,071,068	3,077,763	26,148,831
Fire/Rescue MSTU #3	1.3794	8,675,084	3,088,605	11,763,689	1.4754	10,721,621	3,075,933	13,797,554
Fire/Rescue MSTU #4	1.8178	16,396	12,128	28,524	2.9279	26,020	5,168	31,188
Fire/Rescue Central Services	0	0	11,134,396	11,134,396	0	0	14,371,826	14,371,826
Airport Crash-Fire/Rescue	0	0	2,286,029	2,286,029	0	0	2,709,190	2,709,190
Library Improvement Fund	0	0	0	0	0	0	19,221,774	19,221,774
MSTU District A	0	0	674,924	674,924	0	0	649,187	649,187
MSTU District B	0	0	1,244,419	1,244,419	0	0	1,259,823	1,259,823
MSTU District C	0	0	2,153,643	2,153,643	0	0	1,480,458	1,480,458
MSTU District D	0	0	1,162,460	1,162,460	0	0	1,206,252	1,206,252
MSTU District E	0	0	270,422	270,422	0	0	303,366	303,366
MSTU District F	0	0	9,749,470	9,749,470	0	0	14,046,449	14,046,449
Gross-Total Dependent Districts		47,502,247	68,925,246	116,427,493		48,041,445	89,766,917	137,808,362
Less: Inter-Fund Charges			(13,420,425)	(13,420,425)			(17,081,016)	(17,081,016)
NET TOTAL DEPENDENT DISTRICTS		47,502,247	55,504,821	103,007,068		48,041,445	72,685,901	120,727,346
NET TOTAL-COUNTY FUNDS & DEPENDENT DISTRICTS		**244,878,511**	**749,355,154**	**994,233,665**		**273,454,426**	**772,702,025**	**1,046,085,221**

EXPENDITURES BY FUND GROUP
TOTAL ALL FUNDS $1,207,568,907



The above graph illustrates all countywide expenditures by fund group. The General Fund, which finances the bulk of countywide services and operations, is 16% of the total budget.

Included in the Special Revenue Fund category are Public Safety expenditures for Law Enforcement and Fire/Rescue.

Debt Service includes funds established for the retirement of non-enterprise bond issues.

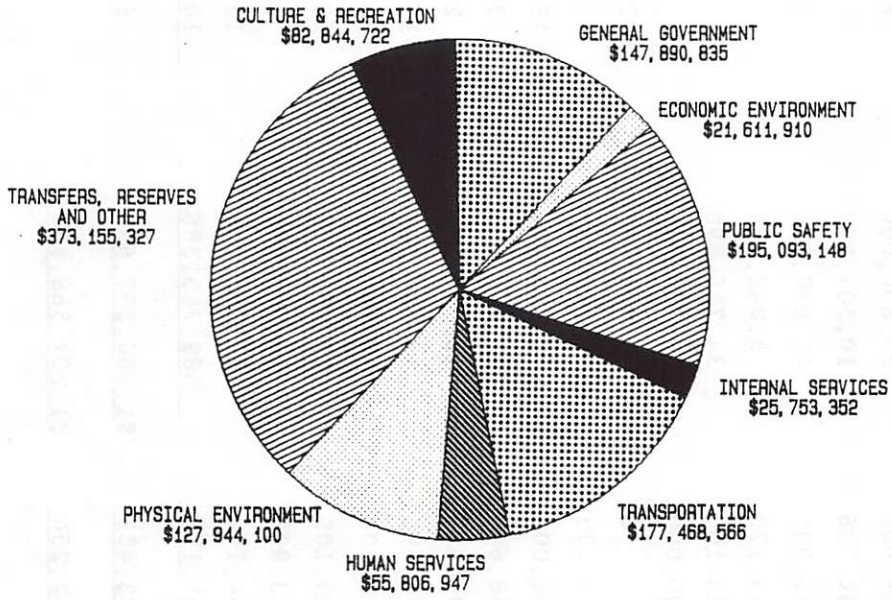
Capital Projects consist of all non-enterprise capital improvement projects which are of a countywide nature.

Trust and Agency includes Handicap Parking Enforcement.

The Enterprise Funds include the Airports, Water Utilities, CoTran, Southwinds Golf Course and Parking Facilities and are operated with non-tax based dollars.

Internal Service Funds provide services to County operating departments. These include Risk Management and Motor Pool.

EXPENDITURES BY FUNCTION
TOTAL ALL FUNDS $1,207,568,907



General Government - These funds are for the general operation of County government.

Economic Environment - These funds are for programs that improve the economic condition of the community and its citizens.

Public Safety - These funds go to programs provided by the County for the safety and security of the public.

Internal Services - These are expenses incurred through services provided by one County agency to another.

Transportation - These funds are used for programs that provide for the safe and adequate flow of vehicles, travelers and pedestrians.

Human Services - These funds pay for programs for the care, treatment and control of human illness, injury or handicap, and for the welfare of the community as a whole.

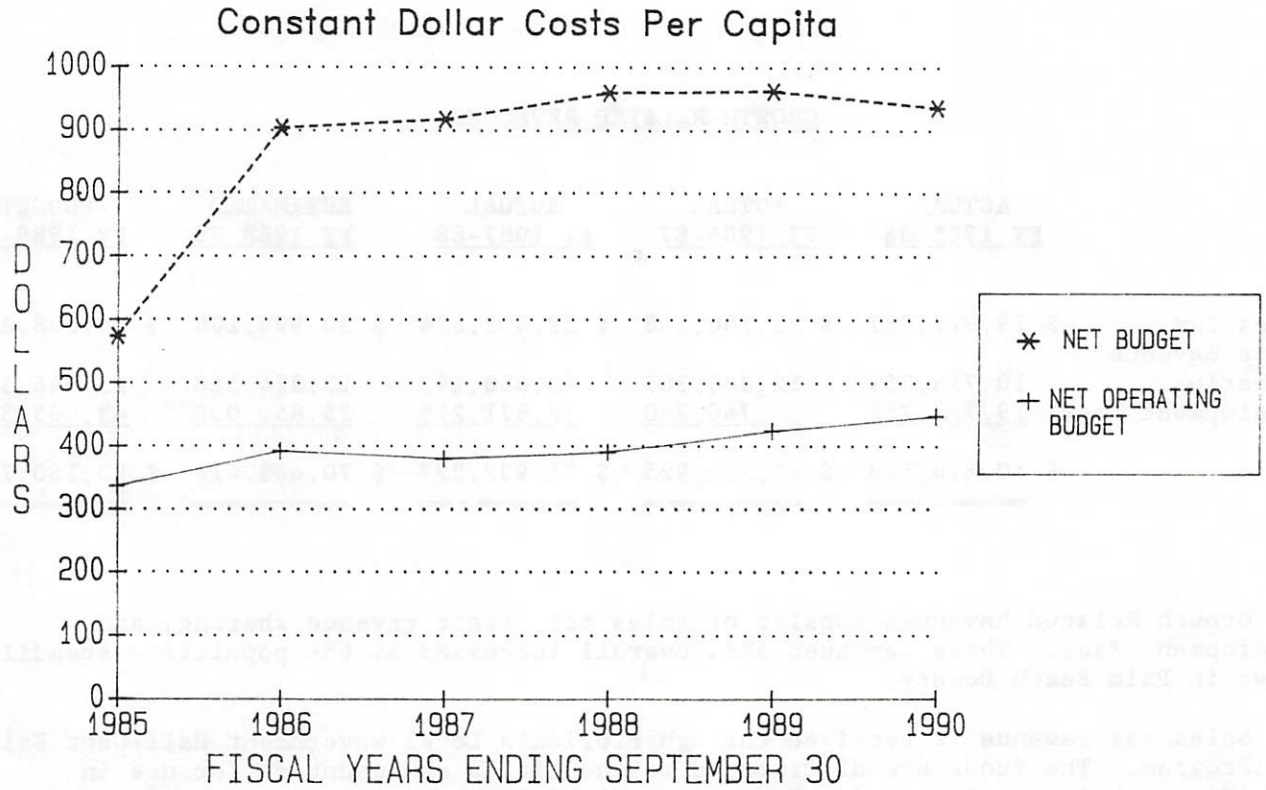
Physical Environment - These funds pay for water, sewer and environmental programs such as mosquito control and beach restoration.

Transfers, Reserves and Other - Included in this group are funds which are transferred from one County fund to another and funds which are set aside to provide for unforeseen expenses and fund balance.

Culture and Recreation - These funds pay for providing cultural and recreational facilities.

SUMMARY OF MAJOR REVENUES

	FY 1987-88 ACTUAL	FY 1988-89 ESTIMATED	FY 1989-90 BUDGET	% CHANGE 1989 TO 1990
Property Taxes-Current	$208,710,543	$232,635,709	$273,454,426	17.5%
Tourist Tax	3,906,053	5,741,946	6,750,000	17.6%
Gasoline Tax	23,025,530	23,204,000	23,800,000	2.6%
Building Permits & Zoning Fees	10,545,605	10,486,786	10,507,978	.2%
Federal Grants & Shared Revenues	13,191,042	24,766,335	23,930,021	-3.4%
State Grants & Shared Revenues	21,929,625	25,995,773	25,842,874	-.6%
One-Half Cent Sales Tax	29,402,824	30,994,108	34,238,898	10.5%
Electricity Franchise Fees	5,644,936	6,500,000	6,500,000	.0%
Utility Service Tax	0	0	26,315,789	100.0%
Charges for Services-General	29,572,662	31,364,873	33,227,732	5.9%
Charges for Services-Water & Sewer	44,492,610	43,748,000	52,092,000	19.1%
Charges for Services-Transportation	1,591,963	1,488,646	1,544,629	3.8%
Charges for Services-Airport	17,385,446	39,399,434	40,225,496	2.1%
Interest	40,481,072	39,270,696	32,586,406	-17.0%
Special Assessments & Impact Fees	19,016,179	14,688,800	32,749,089	123.0%
Transfers	79,713,721	104,225,109	127,645,853	22.5%
Excess Fees from County Officers	9,847,100	8,963,993	9,067,873	1.2%
Internal Services	25,916,325	31,944,152	36,313,204	13.7%
Fund Balances	293,702,248	435,365,121	389,765,386	-10.5%
Total Major Revenues	$ 878,075,484	$1,110,783,481	$1,186,557,654	6.8%
Total Revenues in Budget	$ 920,835,860	$1,196,662,254	$1,207,568,907	.9%
Major Revenues as a Percent of Total Budget	95.36%	92.82%	98.26%	



Palm Beach County's net budgets and net operating budgets for the fiscal years ending September 30, 1985 through 1990 are presented in constant dollars per capita to counter the effects of inflation and growth.

These increases reflect the increased emphasis on providing much needed services and infrastructure and is to be expected for a growing county like Palm Beach County.

The net operating budget increase we are experiencing for the 1989-90 budget year is primarily the result of increased service levels in the areas of law enforcement, court operations and fire rescue.

GROWTH-RELATED REVENUES

	ACTUAL FY 1985-86	ACTUAL FY 1986-87	ACTUAL FY 1987-88	ESTIMATED FY 1988-89	BUDGET FY 1989-90
Sales Tax	$ 19,977,067	$ 21,700,148	$ 29,402,824	$ 30,994,108	$ 34,238,898
State Revenue Sharing	10,716,369	12,880,387	13,658,190	13,824,300	15,846,500
Development Fees	19,783,152	32,740,390	32,871,213	25,850,008	43,065,308
	$ 50,476,588	$ 67,320,925	$ 75,932,227	$ 70,668,416	$ 93,150,706

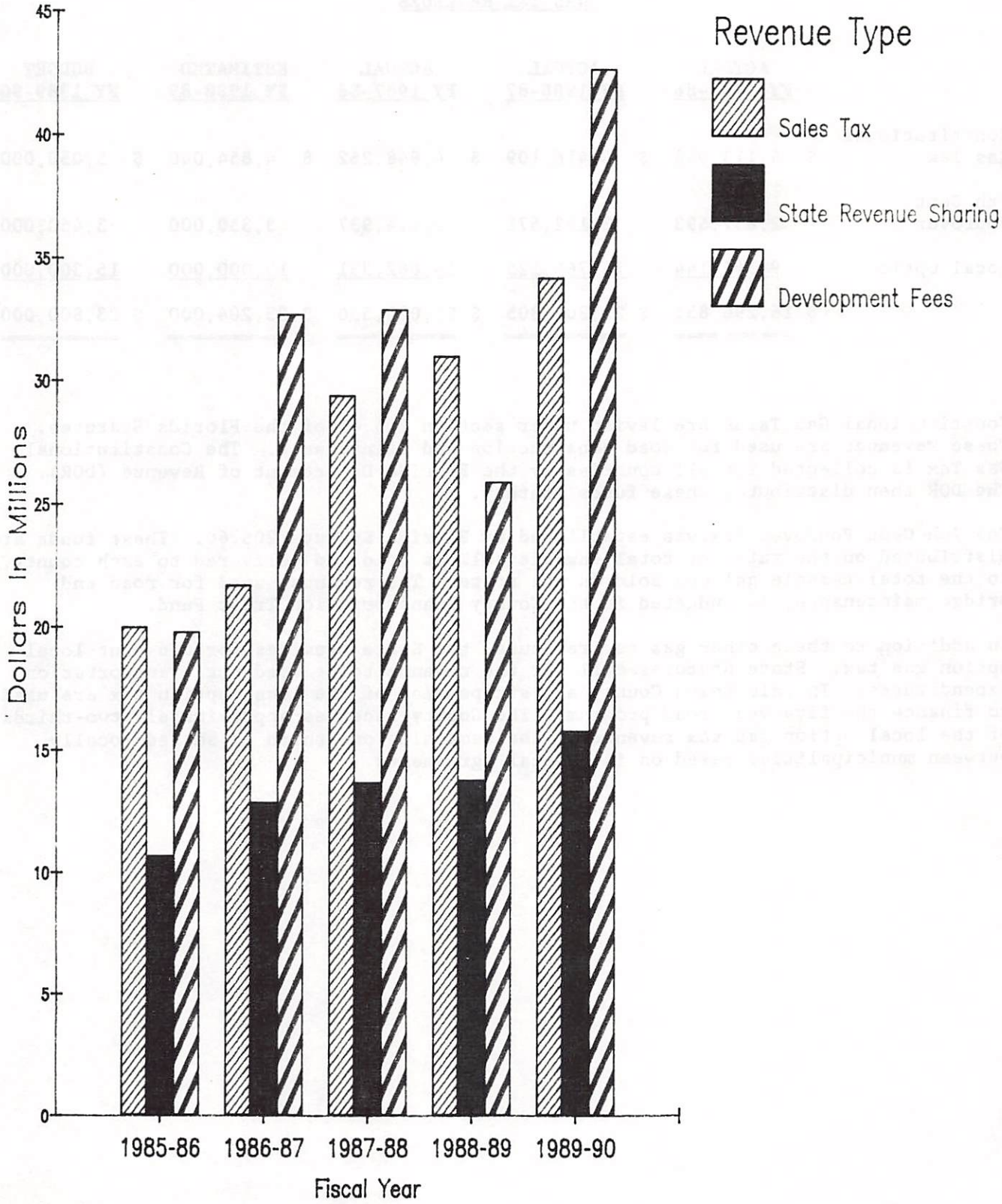
Growth Related Revenues consist of sales tax, state revenue sharing, and development fees. These revenues show overall increases as the population steadily grows in Palm Beach County.

Sales tax revenue is received through Florida's Local Government Half-Cent Sales Tax Program. The funds are distributed to the cities and counties for use in providing public service needs. Fiscal year 1989-90 receipts are expected to increase by $3,244,790 or 10.47% over fiscal year 1988-89 estimated revenue.

State Revenue Sharing is a return of the State-collected cigarette and intangible taxes. These funds are distributed based on a formula using population and sales tax collections as factors. It is estimated that Palm Beach County will receive $15,846,500 in State Revenue Sharing funds for fiscal year 1989-90, a 14.6% increase over fiscal year 1988-89 estimated receipts.

Development fees consist of building permits and zoning fees, roadside vendor permits, fair share impact fees, conditionally-imposed impact fees and contributions from developers.

GROWTH-RELATED REVENUES



GAS TAX REVENUES

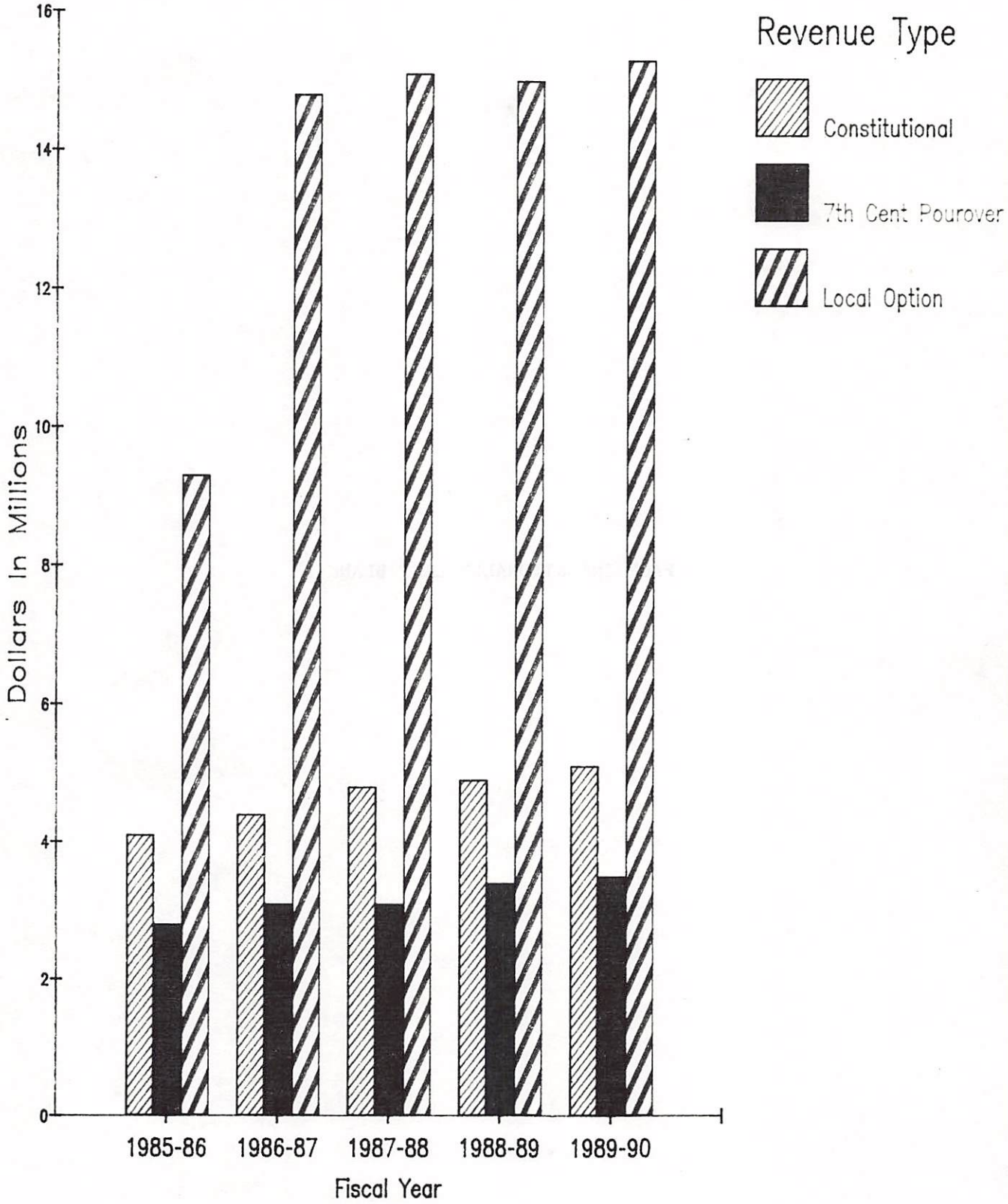
	ACTUAL FY 1985-86	ACTUAL FY 1986-87	ACTUAL FY 1987-88	ESTIMATED FY 1988-89	BUDGET FY 1989-90
Constitutional Gas Tax	$ 4,113,018	$ 4,416,109	$ 4,848,262	$ 4,854,000	$ 5,050,000
7th Cent Pourover	2,837,693	3,122,571	3,114,937	3,350,000	3,450,000
Local Option	9,346,144	14,765,125	15,062,331	15,000,000	15,300,000
	$ 16,296,855	$ 22,303,805	$ 23,025,530	$ 23,204,000	$ 23,800,000

Constitutional Gas Taxes are levied under section 206.41 of the Florida Statutes. These revenues are used for road construction and maintenance. The Constitutional Gas Tax is collected for all counties by the Florida Department of Revenue (DOR). The DOR then distributes these funds monthly.

The 7th Cent Pourover Tax was established by Florida Statute 206.60. These funds are distributed on the ratio of total taxable gallons sold and delivered to each county, to the total taxable gallons sold in the state. The revenue, used for road and bridge maintenance, is budgeted in the County Transportation Trust Fund.

In addition to these other gas tax revenues, the State provides for a 6-cent local option gas tax. State Statutes call for the revenue to be used for transportation expenditures. In Palm Beach County all six pennies of the local option tax are used to finance the five year road program. The County receives approximately two-thirds of the local option gas tax revenues. The remaining one-third is shared locally between municipalities based on interlocal agreements.

GAS TAX REVENUES



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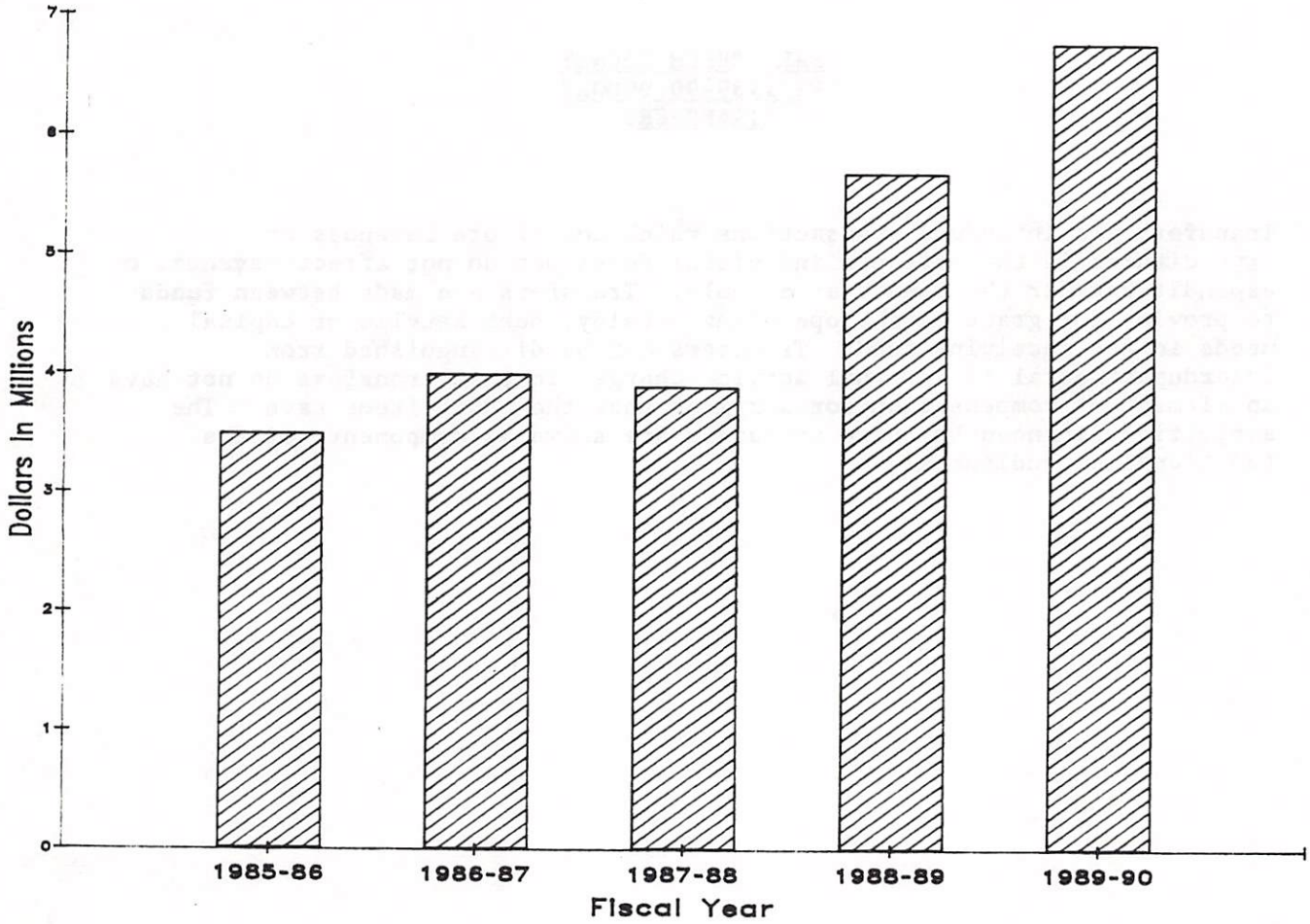
TOURIST DEVELOPMENT TAXES



ACTUAL 1985-86	ACTUAL 1986-87	ACTUAL 1987-88	ESTIMATED 1988-89	BUDGET 1989-90
$3,509,533	$3,961,145	$3,906,053	$5,741,946	$6,750,000

Tourist Development Taxes are derived from a 2% tax on hotel/motel accommodations. These revenues are collected by the State to be distributed to Palm Beach County.

The Tourist Development Plan calls for these taxes to be split 70% for Category A expenditures which are those utilized to promote and advertise Palm Beach County tourism. The remaining 30% of the revenue is to be used for Category B expenses which provide for cultural and fine arts entertainment, festivals, programs and related activities.

Effective February 1, 1989, the Board of County Commissioners approved the adoption of a third cent of tourist tax. Fifty percent of the money raised by the third cent tax is going to beach restoration. Twenty percent is going to West Palm Beach's efforts to build a convention center. Ten percent is going to Discover Palm Beach County for promotion and advertising. Ten percent is also going to the Sports Authority to help pay the director's salary and establish programs. The remaining ten percent is going to Palm Beach County Council of the Arts for cultural activities.

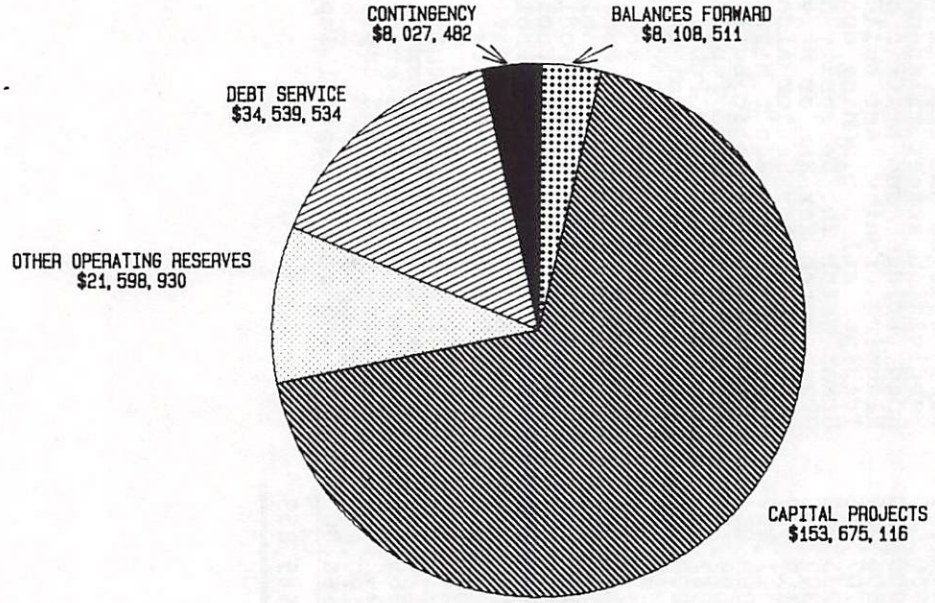
PALM BEACH COUNTY
FY 1989-90 BUDGET
TRANSFERS

Transfers are interfund transactions which constitute revenues or expenditures in the affected individual funds but do not affect revenues or expenditures for the County as a whole. Transfers are made between funds to provide for grant match, operating subsidy, debt service or capital needs in the receiving fund. Transfers can be distinguished from interdepartmental or internal service charges in that transfers do not have an element of compensation for services that the other items have. The activities financed by these transfers are shown as components of the functional expenditures.

TRANSFER ANALYSIS

RECIPIENT	PROVIDING FUND	AMOUNT	PURPOSE
General Fund	2.5M Bond I & S	316,814	Eng. complex debt serv., gen. oper.
General Fund	Public Improvement	24,100	General fund operations
General Fund	33.6M Beach Bond Revenue	17,613,028	General fund operations
Fine & Forfeiture Fund	Franchise Fee/Utility Tax	21,784,618	Sheriff's Office unincorporated oper.
County Transportation Trust	Constitutional Gas Tax	1,350,000	Road, bridge, and traffic operations
County Transportation Trust	Franchise Fee/Utility Tax	880,000	Subdivision street maintenance
County Transportation Trust	33.6M Beach Bond Revenue	8,000,000	Road, bridge, and traffic operations
Municipal Service Tax Dist.	Franchise Fee/Utility Tax	6,305,239	Planning, zoning, and building oper.
Metropolitan Plng Org.	General Fund	207,275	Transportation planning operations
Community Action Council	General Fund	2,235,063	Grant match for Community Action oper.
Senior Services	General Fund	392,060	Grant match for Senior Services oper.
Senior Aides	General Fund	119,979	Grant match for Senior Aides oper.
JTPA Adult Migrant	General Fund	11,187	Grant match for Adult Migrant oper.
Public Bldg. Corp. Debt Serv.	General Fund	2,099,234	Debt Serv. for Public Building Corp.
32.7M Public Impr. Debt Serv.	General Fund	1,699,141	Debt Serv. for 32.7M Public Impr. Bond
32.7M Public Impr. Debt Serv.	Parking Facility Fund	1,087,299	Debt Serv. for 32.7M Public Impr. Bond
Judicial Ctr/Detention Fac.	33.6M Beach Bond Revenue	3,000,000	Debt Serv. for Judicial Ctr/Deten Fac.
2.5M Bond I & S	2.5M Bond Reserve	19,916	Debt Serv. for 2.5M Improvement Bond
33.6M Beach Bond Debt	33.6 Beach Bond Revenue	2,735,992	Debt Serv. for 33.6M Beach Bond
60.875M Pooled Fin Debt Serv.	General Fund	3,165,158	Debt Serv. for 60.875M Pooled Finan.
60.875M Pooled Fin Debt Serv.	Fire/Rescue MSTU #1	156,605	Debt Serv. for 60.875M Pooled Finan.
60.875M Pooled Fin Debt Serv.	Fire/Rescue MSTU #2	715,977	Debt Serv. for 60.875M Pooled Finan.
60.875M Pooled Fin Debt Serv.	Fire/Rescue MSTU #3	156,605	Debt Serv. for 60.875M Pooled Finan.
60.875M Pooled Fin Debt Serv.	60.875M Constr. & Acq.	2,571,358	Debt Serv. for 60.875M Pooled Finan.
First Municipal Loan Prog.	33.6M Beach Bond Revenue	5,909,400	Debt Serv. for First Muni. Loan Prog.
Transportation Impr. Fund	33.6M Beach Bond Revenue	1,000,000	Capital road improvements
Transportation Impr. Fund	60.875M Constr. & Acq.	3,881,118	Capital road improvements
30M Beach Improvement Fund	Tourist Development	1,075,400	Capital beach improvements
Library Improvement Fund	County Library	170,000	Capital library improvements
Transportation Authority	General Fund	5,369,571	Operating subsidy and grant match
Airport Funds	Airport Funds	29,742,840	Debt serv., oper. and capital impr.
Employee Health Insurance	Risk Management	190,876	Operating subsidy
MSTU District F	Franchise Fee/Utility Tax	3,660,000	Road and street capital improvements
		127,645,853	

BUDGETED RESERVES BY TYPE
TOTAL $225, 952, 573



Balances Forward
Balances Forward represent reserves restricted for funds to be carried forward to FY 1990-91.

Capital Projects
Capital Project reserves represent amounts set aside for capital improvement projects.

Designated
Designated Capital Projects reserves represent amounts for identified projects which are proposed for funding but which have not had specific project budgets established.

Undesignated
Undesignated Capital Projects reserves represent amounts which have been set aside for capital improvements for as yet unspecified projects.

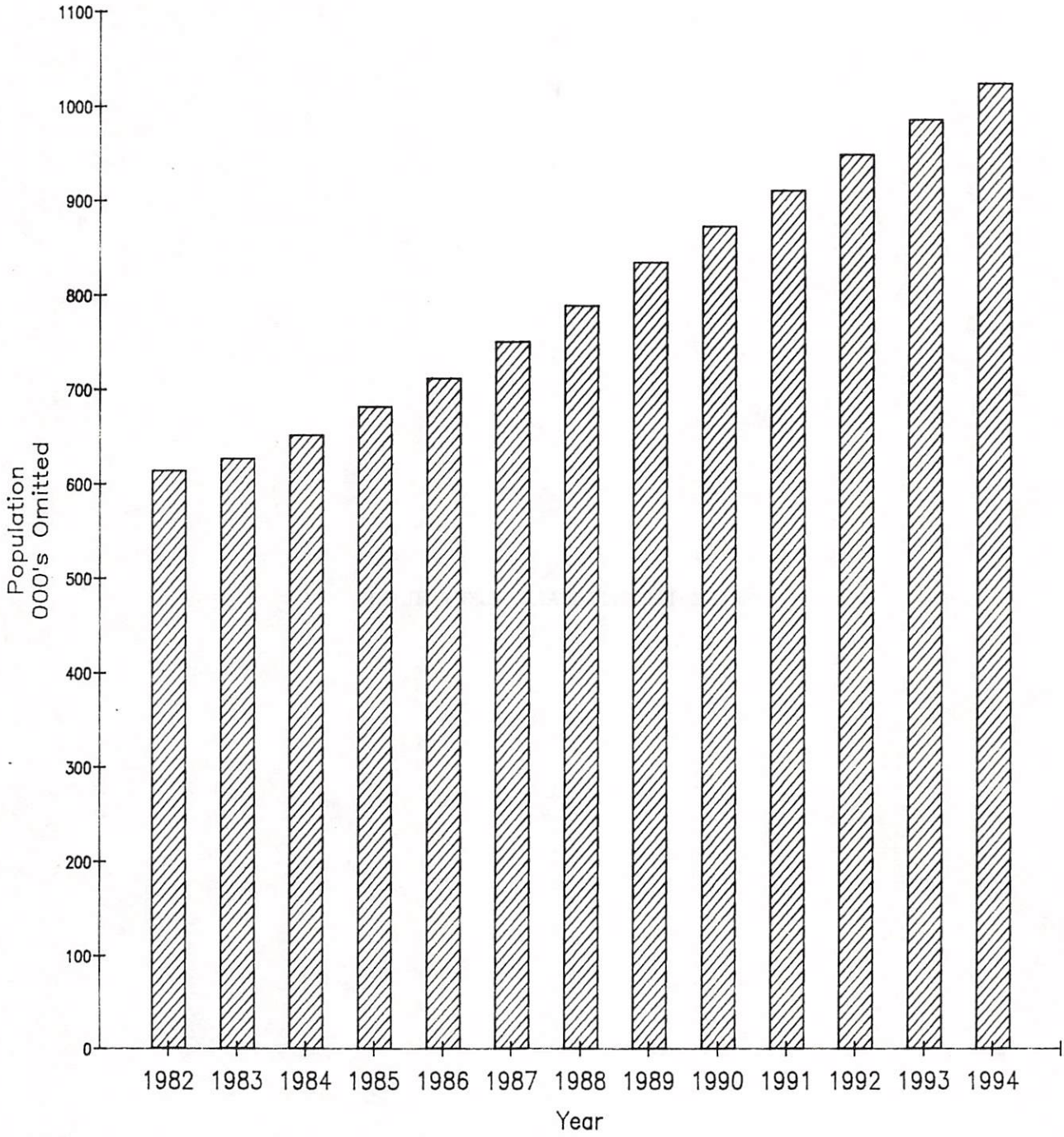
Other Operating Reserves
Other Operating reserves provide funds for a variety of specific potential needs such as disaster clean up, future grant match or disallowed grant costs. The major components of these other reserves are insurance loss reserves.

Debt Service
Debt Service represents funds set aside for future debt service payments in accordance with bond requirements.

Contingency
Contingency reserves represent amounts set aside to meet unanticipated needs that will arise during the normal course of County business. Use of these reserves requires Board approval.

POPULATION COMPARISON

1982 - 1994



As indicated by the above graph, the overall population for Palm Beach County has increased 23% over the past five years. Growth is not without problems. An expanding population has expanding needs for services such as law enforcement, fire and rescue, human services, transportation and recreation.

Additional people place additional demands on existing facilities creating expanded maintenance needs and ultimately the need for new facilities.

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AD VALOREM TAXES
COUNTYWIDE AND DEPENDENT TAXING DISTRICTS

	FY 1985-86	FY 1986-87	FY 1987-88	FY 1988-89	FY 1989-90	FY 1989-90 TAX *
Countywide	4.5271	4.6190	4.7862	5.0562	5.1482	225,412,981
Dependent Taxing Districts						
Library District	.3428	.3951	.9075	.9137	.4240	9,844,324
Fire/Rescue MSTU #1	1.5405	1.6022	1.4412	1.4345	1.8229	4,378,412
Fire/Rescue MSTU #2	2.1457	2.3908	2.4461	2.6946	2.8128	23,071,068
Fire/Rescue MSTU #3	1.3956	1.3760	1.4515	1.3794	1.4754	10,721,621
Fire/Rescue MSTU #4	1.5821	1.6725	.5639	1.8178	2.9279	26,020
Hypoluxo Village	1.5000	1.5000	1.5000	1.5000	--	--

* Ad valorem taxes for FY 1989-90 are based upon the 1989 Tentative Certification of Taxable Value, multiplied by the millage for FY 1989-90.

The above millage rates are those levied by the Palm Beach County Board of County Commissioners for Countywide and Dependent Taxing Districts. All property owners with taxable properties located within Palm Beach County will pay the Countywide millage. The millages shown for the Dependent Taxing Districts will apply to properties located within those Districts.

A "mill" is one-tenth of a penny, or $1.00 of ad valorem tax for each $1,000 of certified taxable values.

A property owner with property assessed at $82,000 and a homestead exemption of $25,000 will pay the above Countywide millage, calculated by the following formula:

(Assessed Value - Homestead Exemption) X Millage = Ad Valorem Tax

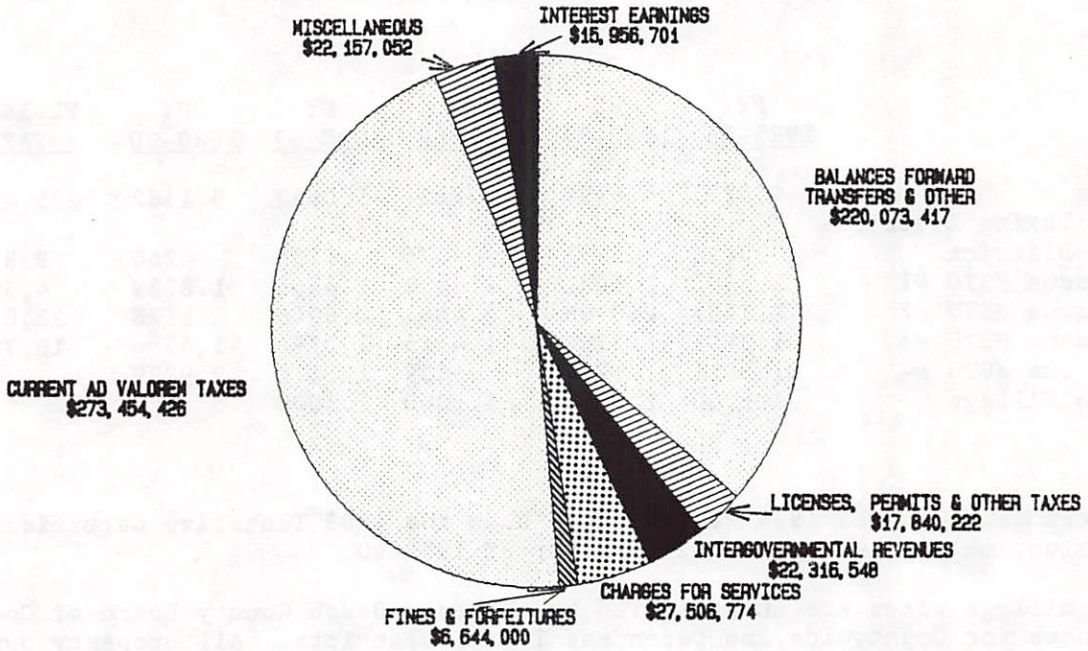
Countywide Example:

(82,000 - 25,000) X .0051482 = $ 293.45

Note that the above example is calculated on the Countywide rate only and does not take into account the Dependent Taxing Districts.

There are numerous other taxing authorities within Palm Beach County that levy taxes in addition to the Palm Beach County - Board of County Commissioners. Examples of these other taxing authorities include the South Florida Water Management District, the School Board of Palm Beach County, various municipalities and independent taxing districts.

TAXING FUND REVENUES BY CATEGORY
TOTAL $605,949,140



Taxing fund revenues by category consist of the following funds: The General Fund, Fine & Forfeiture, County Transportation Trust, County Library, Fire/Rescue MSTU's, 7M Courthouse & Jail-I&S, 50M Beach & Parks I&S, 6M Beach Bond-I&S, Criminal Justice Complexes-I&S, 30M Park Development Bond-Debt Service, Capital Outlay, Transportation Improvement Fund, Parks Improvement Fund and Public Buildings Improvement Fund.

Ad Valorem taxes are property taxes computed as a percentage of the value of real and personal property expressed in mills.

Licenses and permits and other taxes are revenue derived from the issuance of local licenses and permits and delinquent ad valorem taxes.

Intergovernmental revenues include all money received from federal, state and other local governments in the form of grants and shared revenues.

Charges for services reflect revenues stemming from charges for current services.

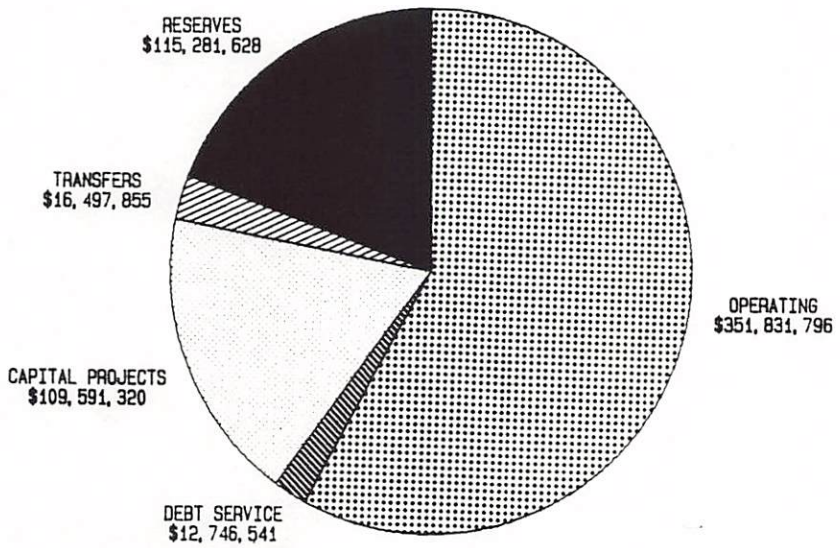
Fines and forfeitures include revenues received from fines and penalties imposed for the commission of statutory offenses and violations of lawful administrative rules and regulations, and for neglect of official duty.

Interest revenues include all interest earned on investments, contracts and notes.

Miscellaneous revenues include all other revenue not included in the aforementioned categories, i.e., rents and royalties, sales and compensation for loss of fixed assets, contributions and donations from private sources, etc.

Balance forward, transfers and other are amounts received by the government which are not additions to assets of the government as a whole. These items include inter-fund transfers and inter-fund reimbursements.

TAXING FUND EXPENDITURES BY CATEGORY
TOTAL $605, 949, 140



Most of the County's operations and services are funded from the taxing funds. Operating costs in the taxing funds comprise the largest portion of expenditures. In addition, a number of capital projects are funded from the taxing funds.

Debt service is for the $7 Million Courthouse & Jail bonds, $6 Million Beach Acquisition Bonds, $50 Million Beach & Park Development Bonds, Criminal Justice Complexes Bond and $30 Million Park Development Bonds.

Reserves are for balances forward, contingencies, debt service and future capital projects.

Transfers represent the transfer of dollars between funds for debt service operations and capital improvements.

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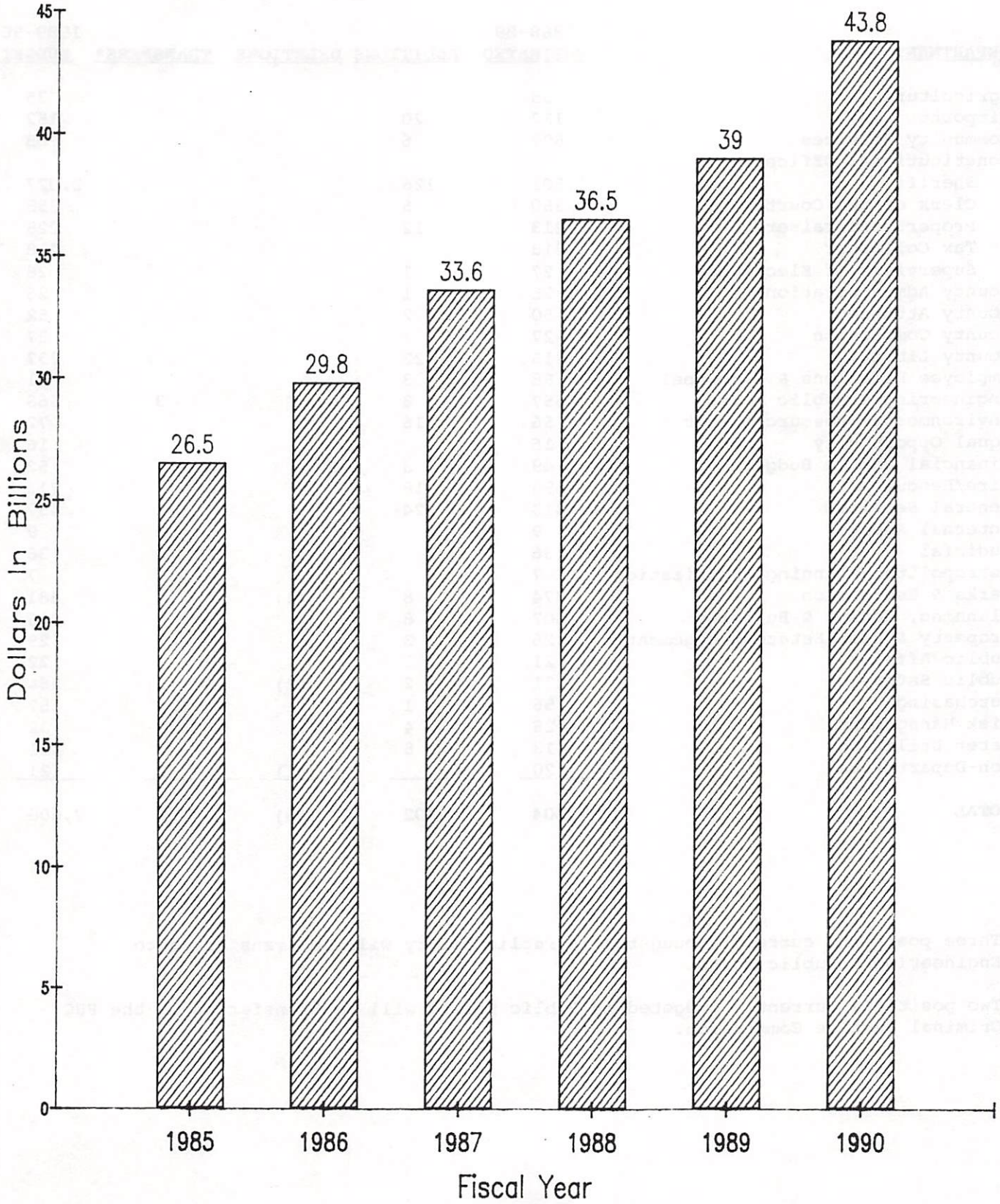
TAXABLE VALUATION COMPARISON

FOR COUNTYWIDE PROPERTY (AD VALOREM) TAXES

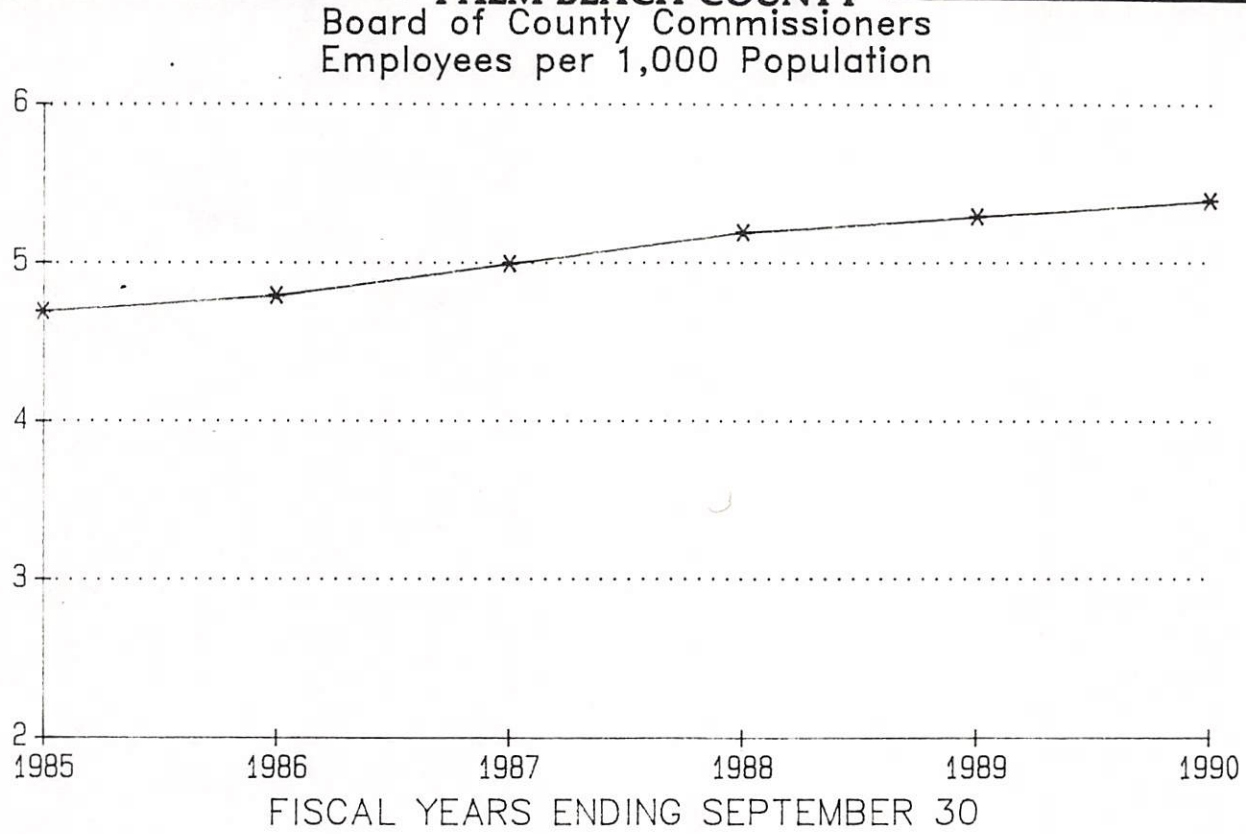


FY 1989-90 POSITION SUMMARY BY DEPARTMENT

DEPARTMENT	1988-89 ESTIMATED	ADDITIONS	DELETIONS	TRANSFERS*	1989-90 BUDGET
Agriculture	35				35
Airports	132	20			152
Community Services	699	6			705
Constitutional Officers:					
Sheriff	1,901	126			2,027
Clerk of the Court	350	5			355
Property Appraiser	213	12			225
Tax Collector	218				218
Supervisor of Elections	27	1			28
County Administration	25	1			26
County Attorney	50	2			52
County Commission	27				27
County Library	215	22			237
Employee Relations & Personnel	58	3			61
Engineering & Public Works	557	8		3	568
Environmental Resources Mgmt	56	16			72
Equal Opportunity	16				16
Financial Mgmt & Budget	49	3			52
Fire/Rescue	695	18			713
General Services	413	24			437
Internal Auditor	9				9
Judicial	36				36
Metropolitan Planning Organization	7				7
Parks & Recreation	374	8	(1)		381
Planning, Zoning & Building	307	8			315
Property & Real Estate Management	26	3			29
Public Affairs	21	1			22
Public Safety	271	2	(4)	(5)	264
Purchasing	56	1			57
Risk Management	28	4			32
Water Utilities	413	8			421
Non-Departmental	20		(1)	2	21
TOTAL	**7,304**	**302**	**(6)**	**0**	**7,600**

*Three positions currently budgeted in Public Safety will be transferred to Engineering & Public Works.

Two positions currently budgeted in Public Safety will be transferred to the PBC Criminal Justice Commission.



Palm Beach County Board of County Commissioners has a total of 4,747 full and part-time employees budgeted for the 1989-90 fiscal year. The number of employees per 1,000 population is being presented in order to counter the effects of growth. This chart shows the true increases in employees from the 1984-85 fiscal year through the upcoming 1989-90 fiscal year.

Because personnel costs are a major portion of the County's operating budget, changes in the number of employees per 1,000 population have a direct relationship to the cost of providing services. An increase in employees per 1,000 population could indicate that the County is becoming more labor intensive, productivity is declining or service levels are increasing.

Increases in employees per 1,000 population since 1985 have been due to increased service levels. As indicated by the above graph, the Board's employees per 1,000 population remained virtually unchanged from the 1988-89 fiscal year.

SECTION D

DEBT SERVICE

SUMMARY OF OUTSTANDING BOND ISSUES
AS OF OCTOBER 1, 1989

ISSUE	PURPOSE	AMOUNT ISSUED	ISSUE DATE	MATURITY DATE	AMOUNT OUTSTANDING
GENERAL OBLIGATION DEBT					
Courthouse & Jail Certificates of Indebtedness	Courthouse wraparound, jail expansion and branch courthouses	$7,000,000	10/1/67	10/1/92	$1,325,000
Beach Acquisition Bonds	Acquisition and improvement of beach sites countywide	6,000,000	3/1/70	3/1/99	3,255,000
Beach and Park Acquisition and Improvement Bonds	Acquisition and improvement of various beach and park sites countywide	50,000,000	8/1/78	8/1/08	43,130,000
Criminal Justice Complex Bonds	Construction of criminal justice complex	29,700,000	6/1/83	6/1/93	12,000,000
Park Improvement Bond	Countywide regional park improvements	30,000,000	7/1/87	7/1/02	27,535,000
TOTAL - General Obligation Bonds		**$122,700,000**			**$87,245,000**
NON SELF SUPPORTING REVENUE BONDS					
Improvement Bonds Series 1967	Improvements to the County Home	$2,500,000	10/1/67	10/1/97	$1,105,000
Glades Health Facility Bonds	Construction and improvements to a Health Department clinic in the Glades	1,000,000	11/28/84	9/1/04	860,000
Public Building Corp. Refunding Bonds-Ser. 1986	Refunding of bond for construction of government center	24,570,000	8/1/86	6/1/11	22,955,000
1986 Public Improvement	Improvements to various governmental centers and parking garage	32,745,000	5/1/86	10/1/06	30,050,000
Beach Acquisition Bonds-Ser. 1986	Beach acquisition	33,600,000	10/1/86	11/1/07	32,695,000
Pooled Financing (Sunshine Pool)	Land acquisition; construction and improvements to various	50,875,000	5/1/87	5/1/16	48,240,000
	general government and fire/ rescue buildings	10,000,000	5/31/88	7/1/04	10,000,000
First Municipal Loan Program	Purchase of Four Points Centre	6,151,600	1/31/89	9/1/92	5,721,600
	Design and construction of downtown Judicial Center and Detention Facility	15,054,954	5/31/89	12/1/95	15,054,954
TOTAL - Non Self Supporting Revenue Bonds		**$176,496,554**			**$166,681,554**

SUMMARY OF OUTSTANDING BOND ISSUES
AS OF OCTOBER 1, 1989

ISSUE	PURPOSE	AMOUNT ISSUED	ISSUE DATE	MATURITY DATE	AMOUNT OUTSTANDING
SELF SUPPORTING REVENUE BONDS					
Water & Sewer System Series 1984	Refund previous bond issues	$56,745,000	8/1/84	10/1/11	$7,305,000
Water & Sewer System Series 1985	Provide funding for buyout of South Palm Beach Utilities	18,645,000	6/13/85	10/1/11	17,845,000
Water & Sewer System Series 1986	Refund portion of Series 1984	59,530,000	11/1/86	10/1/11	58,165,000
Water & Sewer System Series 1989	Provide funding to assist in financing five year capital improvement program	38,000,000	7/89*	7/09*	38,000,000
Airport System Series 1984	Improvements to Palm Beach International Airport	93,585,000	11/1/84	10/1/14	91,625,000
Airport System Series 1989 Subordinated Indebtedness **	Provide funding to pay expenses of Series 1991 Refunding Bonds	3,850,000	10/1/89	10/1/10	3,850,000
Airport System Series 1991 **	Refund portion of Series 1984	94,815,000	10/1/91	10/1/10	94,815,000
TOTAL - Self Supporting Revenue Bonds		$365,170,000			$311,605,000
TOTAL - ALL BONDS		$664,366,554			$565,531,554

* - Dates are approximate

** - These issues were approved by the Board of County Commissioners on 6/13/89. The amount outstanding on the Series 1984 Bonds, as well as any debt service requirements, have been calculated under the assumption that the Series 1991 Bonds are issued and delivered in the amount of $94,815,000.

DEBT SERVICE SUMMARY BY FUNCTION

Fund	Amount	General Government	Physical Environment	Transportation	Principal
General	$ 630,336	$ 234,402			$ 395,934
$7M Courthouse	472,688	47,688			425,000
$6M Beach Bond	439,453	194,453			245,000
$50M Beach & Park	4,013,671	2,718,671			1,295,000
Criminal Justice	3,945,750	945,750			3,000,000
Glades Health Facility	83,500	43,500			40,000
PBC Public Building Corp	2,186,035	1,726,035			460,000
$32.7M Public Improvements	3,141,483	2,196,483			945,000
$2.5M I&S Bond Fund	176,310	61,310			115,000
$33.6M Beach Bond Debt	3,143,753	2,193,753			950,000
$60.875M Sunshine Pool (1)	7,569,700	4,679,700			2,890,000
$30M Park Improvement	3,244,643	1,879,643			1,365,000
First Municipal Loan Program (1)	5,915,231	1,507,231			4,408,000
Water Utilities Bonds (2)	11,485,000		$9,040,000		2,445,000
Airport Bonds	19,214,448			$17,104,448	2,110,000
TOTAL	$65,662,001	$18,428,619	$9,040,000	$17,104,448	$21,088,934

NOTE: The expenditures included in the General Government column represent interest payments and fiscal charges on general, non-enterprise debt.

The expenditures included in the Physical Environment and the Transportation columns represent interest payments and fiscal charges on enterprise fund debt. The expenditure in the transportation column is pending revision based on the Board-approved 1991 partial refunding of the Series 1984 Bonds.

The expenditures included in the Principal column represent payments of principal for any County bonds.

(1) Two (2) borrowings.

(2) Four (4) bond issues.

SECTION E

APPENDICES

DESCRIPTION OF REVENUES BY TYPE

CURRENT AD VALOREM TAXES	Property taxes computed as a percentage of the value of the real property or personal property.
LICENSES, PERMITS, AND OTHER TAXES	Revenue derived from the issuance of local licenses, permits and other taxes. Licenses include both professional and occupational licenses; permits consist of building and various other permits; other taxes consist of user-type taxes, franchise fees and delinquent ad valorem taxes.
INTER-GOVERNMENTAL REVENUES	This group of accounts includes all revenues received from federal, state and other local governmental sources in the form of grants, shared revenues and payments in lieu of taxes.
CHARGES FOR SERVICES	This series of accounts includes all revenues stemming from charges for current services excluding revenues of internal service funds.
FINES & FORFEITURES	This group of accounts includes revenues received from fines and penalties imposed for the commission of statutory offenses, violations of lawful administrative rules and regulations, and for neglect of official duty. Forfeits include revenues resulting from confiscation of deposits or bonds held as performance guarantees.
MISCELLANEOUS REVENUE	Revenue from sources not otherwise provided for in the preceding categories. This includes interest earnings, rents and royalties, special assessments, sale and compensation for loss of fixed assets, sale of surplus materials and contributions from private sources.
BALANCES FORWARD, TRANSFERS AND OTHER	Amounts received by the County which are not additions to the assets of the government as a whole, although they may be to the receiving fund. These items include inter-fund transfers, inter-fund reimbursements except the receipts of an internal service fund. Also includes fund balances carried over from the previous year.
INTRA-GOVERNMENTAL REVENUES	Those revenues derived from goods and services furnished by central service agencies of the County to other departments and funds.

DESCRIPTION OF EXPENDITURES BY PROGRAM

GENERAL GOVERNMENT

A major class of services provided by the legislative, judicial and administrative branches of County government as a whole. This classification encompasses the Board of County Commissioners, administration (including central service staff departments), auditing, property appraiser, tax collector, finance, legal, planning, judicial, supervisor of elections, and various other general government services.

PUBLIC SAFETY

A major category of services provided by the County for the security of persons and property. This category includes law enforcement, fire control, detention and/or correction, protective inspections, emergency and disaster relief services, ambulance and rescue services, medical examiner, consumer affairs and all other costs primarily related to public safety.

PHYSICAL ENVIRONMENT AND UTILITIES

The cost of services provided by the County for the primary purpose of achieving a satisfactory living environment by controlling and utilizing elements of the environment. Services include water and sewage, mosquito and aquatic weed control, sand transfer and beach restoration, soil conservation and agriculture, and all other services related to the physical environment.

TRANSPORTATION

Costs of services provided by the County for the safe and adequate flow of vehicles, travelers and pedestrians. This category includes the County Transportation Trust, the Transportation Authority, the Department of Airports, and other accounts established for the construction and maintenance of all transportation related facilities.

ECONOMIC ENVIRONMENT

The cost of providing services which develop and improve the economic condition of the community and its citizens. Services included are industry development, veterans services, housing and community development, and all other costs primarily related to economic environment.

HEALTH AND HUMAN SERVICES	The cost of providing services for the care, treatment and control of human illness, injury or handicap, and for the welfare of the community as a whole and its individuals. Expenditures classified under this function include hospital services, health care, animal regulation, homes for the infirm, mental health, welfare retardation, and other human services.
CULTURE AND RECREATION	The cost of providing and maintaining cultural and recreational facilities and activities for the benefit of citizens and visitors. This category includes libraries, parks and related programs, cultural services, special events and special recreational facilities.
INTERNAL SERVICES	Those expenses incurred exclusively by internal service funds in providing goods and services to user departments or agencies. This category includes motor pool, employee health insurance, casualty self-insurance and workers' compensation.
TRANSFERS, RESERVES AND OTHER	This is a basic account category to provide for disbursements which are not classified as expenditures. Included in this group are inter-fund transfers, reserves, redemption of long and short-term debts and transfers between the Board of County Commissioners and Constitutional Officers.

DESCRIPTION OF EXPENDITURES BY OBJECT

PERSONAL SERVICES

Expense for salaries, wages and related employee benefits provided for all persons employed by the County whether on full-time, part-time, temporary or seasonal basis. Employee benefits include employer contributions to a retirement system, social security, insurance, workers' compensation, unemployment compensation insurance and any other similar direct employee benefits.

OPERATING EXPENSES

Includes expenditures for goods and services which primarily benefit the current period and are not defined as personal services or capital outlays. Examples include professional services, accounting and auditing, other contractual services, travel and per diem, communications, utilities, rentals and leases, repair and maintenance, promotional activities, office supplies, operating supplies, road material and supplies, books, publications, subscriptions, memberships, and other current charges not otherwise classified.

CAPITAL OUTLAY

Outlays for the acquisition of or addition to fixed assets. This would include land, buildings, improvements other than buildings, machinery and equipment, and construction in progress.

DEBT SERVICE

Outlays for debt service purposes including principal, interest and other debt service costs.

GRANTS AND AIDS

Includes all grants, subsidies and contributions to other governmental agencies and private organizations excluding transfers to agencies within the same governmental entity.

NON-OPERATING

Includes all transfers between funds which do not represent operating expenditures including transfers between the Board of County Commissioners, the Constitutional Officers and other taxing authorities. This category also includes all reserves.

BUDGET PREPARATION AND ADOPTION TIMETABLE

The budget process and the levy of ad valorem taxes are governed by the Florida Statutes Chapters 129 and 200. These Chapters address the budget timetable from the point of the initial presentation of a proposed budget and the taxable value to the governing body. The timetable, public advertising requirements and two public hearings to adopt the budget and levy ad valorem taxes are statutory requirements. The following is an outline of the budget process employed by Palm Beach County for the preparation of the 1989-90 budget.

	Deadline
Narrative Instructions mailed (Functions, Goals, Accomplishments)	1/13/89
Capital Projects instructions mailed	1/31/89
Call for 1989-90 Budget and Budget Manual given to departments	2/10/89
Training Sessions	2/20-3/3/89
Departmental 5-Year requests for Capital Projects to OFMB and Engineering	3/15/89
Narratives due	3/15/89
Risk Management and Motor Pool budgets due in Budget Office	**3/15/89**
Performance Measures due	3/31/89
1989-90 Budget submittals due in Budget Office	**3/31-4/14/89**
Budget Office Budget Hearings with departments	4/24-5/31/89
Engineering submits schedule of total CIP projects and estimated costs to OFMB	5/1/89
Draft Tentative 1989-90 Budget complete	6/15/89
Budget Office submits Draft of Tentative 1989-90 Budget to County Administrator	6/20/89
Tentative 1989-90 Budget to printer	6/23/89
County Administrator submits Tentative 1989-90 Budget to Board of County Commissioners	**7/5/89**
Board Workshops held with departments	7/5-7/21/89
Property Appraiser submits "Certification of Value" to Board	7/1/89
Board advises Property Appraiser of rolled-back rate, proposed millage rate, and date, time & place of public hearings	7/28/89
Budget Office summarizes Board's directions during workshops into an "Adopted Tentative" 1989-90 Budget for public hearings	8/16/89

Property Appraiser mails (proposed) tax notices to each taxpayer which includes notice of First Public Hearing	8/24/89
Public Hearing on "Adopted Tentative" 1989-90 Budget. Prior to the conclusion of the hearing, the Board shall amend the Tentative Budget as it sees fit, adopt the amended tentative budget, recompute its proposed millage rate and publicly announce the percent, if any, by which the recomputed proposed aggregate millage rate exceeds the rolled-back rate. That percent shall be characterized as the percentage increase in property taxes tentatively adopted by the Board.	9/7/89*
Advertisement of "Final" Public Hearing	9/20/89*
Public Hearing on "Final" 1989-90 Budget During the hearing, the Board shall amend the adopted Tentative Budget as it sees fit, adopt a Final Budget and adopt a resolution stating the millage rate to be levied. The resolution shall state the percent, if any, by which the aggregate millage rate to be levied exceeds the rolled-back rate, which shall be characterized as the percent increase in property taxes adopted by the Board.	9/25/89*
1989-90 Budget becomes effective	10/1/89
Finance Department sends out adopted 1989-90 Budgets to all departments/divisions	10/2/89**
Budget Office prints official Budget documents and provides them to the Board, departments and the public	10/23/89

*These dates are tentative pending notification of School Board Public Hearing dates.

**Estimated date